

P. Novotny, Sr., and others against the United States; to the Committee on the Judiciary.

H. R. 2213. A bill for the relief of Sara Salcer; to the Committee on the Judiciary. By Mr. McMILLAN:

H. R. 2214. A bill for the relief of the Plymouth Manufacturing Co., Inc., and for other purposes; to the Committee on the Judiciary.

H. R. 2215. A bill for the relief of Nicholas Leonidas Camarinopoulos; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 2216. A bill for the relief of Antonino Palazzolo; to the Committee on the Judiciary.

By Mr. SECRET:

H. R. 2217. A bill for the relief of Alfonso Gatti; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 2218. A bill for the relief of Mrs. Clara Speed; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 2219. A bill for the relief of Mrs. Emma Hankel; to the Committee on the Judiciary.

By Mr. VAUGHN:

H. R. 2220. A bill for the relief of Adams Freimanis and family; to the Committee on the Judiciary.

H. R. 2221. A bill for the relief of Gertrude Manhal; to the Committee on the Judiciary.

By Mr. WIGGLESWORTH:

H. R. 2222. A bill for the relief of Margaret Celikan; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

27. By Mr. HOLMES: Resolution of the House of Representatives, State of Washington, supporting resolution to be submitted to United Nations branding Communist China as an aggressor in Korea; to the Committee on Foreign Affairs.

28. By Mr. SMITH of Wisconsin: Resolution of the Kenosha Association of Insurance Agents, affirming faith in the American voluntary way to safeguard the Nation's health and insure against the costs of illness and unequivocally opposing any form of national compulsory health insurance as a dangerous step toward complete acceptance of a planned, socialistic economy; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 31, 1951

The House met at 11 o'clock a. m.

The Reverend Leonard H. Flisher, St. Paul's Episcopal Church, Wallingford, Conn., offered the following prayer:

O Lord God Almighty, who art the ruler of all mankind, we commend to Thee all who are engaged in the government of this Nation. Let us not forget that this place and power have come from Thee, and that we have a sacred trust to administer in Thy name. We humbly pray that they may be used by Thee to enact such legislation as will promote the welfare of Thy people, the relief of the oppressed, the help for the poor, the correction of social wrongs. Save us from pride and arrogance that we may see Thy purposes clearly and

follow Thy will without fear. We ask this in the name of Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE

Mr. KERR. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 9]

Aandahl	Forand	Nelson
Abbitt	Fulton	O'Konski
Addonizio	Furcolo	O'Neill
Anderson, Calif.	Gillette	Ostertag
Angell	Gordon	Philbin
Bates, Ky.	Grant	Poage
Bennett, Mich.	Hall	Powell
Berry	Leonard W.	Prouty
Breen	Hart	Redden
Buckley	Havener	Reed, Ill.
Budge	Heffernan	Rees, Kans.
Burton	Heller	Rodino
Busbey	Herter	Rogers, Tex.
Case	Hinshaw	Rooney
Celler	Hunter	Scott, Hardie
Chelf	Kee	Shafer
Chiperfield	Kelley, Pa.	Shelley
Cole, Kans.	Kennedy	Sikes
Cooley	Kersten, Wis.	Staggers
Coudert	Lane	Stanley
Dawson	Lucas	Stigler
Dempsey	McConnell	Stockman
Dingell	McDonough	Taylor
Donohue	McGrath	Velde
Donovan	Marshall	Vursell
Durham	Miller, Calif.	Whitaker
Eberharter	Miller, Nebr.	Williams, N. Y.
Elliott	Miller, N. Y.	Wilson, Tex.
Fallon	Morrison	Wolcott
Feighan	Murphy	Woodruff
Flood	Murray, Wis.	

The SPEAKER. On this roll call 342 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair will ask the gentleman from Massachusetts [Mr. MARTIN] to kindly take the chair at this time.

(Mr. MARTIN of Massachusetts assumed the chair.)

The SPEAKER pro tempore (Mr. MARTIN of Massachusetts). The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

SPEAKER SAM RAYBURN

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 108) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the felicitations of the House of Representatives are hereby cordially extended to its distinguished Speaker, the Honorable SAM RAYBURN, who has served in the high office of Speaker of the House of Representatives longer than any other individual in American history.

Resolved, That the House of Representatives hereby acclaims the manner in which the Honorable SAM RAYBURN has steadfastly

maintained and added new luster to the high traditions of the great office of Speaker of the House, and has consistently employed his great abilities, his rare parliamentary skill, and his fairness and integrity in the service of this House and his country.

Mr. McCORMACK. Mr. Speaker, for any man to be elected to the House of Representatives by the people of his district is in itself a great honor.

To be elevated by the Members of the House to the Speakership is an outstanding honor, which has been conferred upon only 44 men from the beginnings of this legislative body in 1789.

But to be retained and to serve in that post longer than any other person since the organization of the Congress under our Constitution is the unique and distinctive position which our Speaker attained yesterday.

Such an occasion, which makes this a significant date in the history of the House of Representatives and of our country, cannot be permitted to pass without note. I know that the Honorable SAM RAYBURN, the gentleman from Texas, from an innate sense of modesty and his usual dislike for personal glorification, would rather let it pass unobserved. But this is one matter on which the Chair must be overruled by the unanimous desire of the Members.

For he has achieved a record unsurpassed—one to be set down in the annals of our Nation, for the knowledge of all posterity.

And this becomes all the more worthy of special recognition when we realize that the Congress of the United States stands today as one of the few remaining forums for expression of the will of a free people through their democratically elected Representatives.

Until yesterday the record of service as Speaker was held by that distinguished patriot, Henry Clay, of Kentucky, who occupied the office at intervals of the Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, and Eighteenth Congresses, between November 4, 1811, and March 4, 1825. The actual number of days served in the office by Speaker Clay were 3,056½.

The gentleman from Texas, whom we honor, first became Speaker on September 16, 1940, at the third session of the Seventy-sixth Congress, succeeding the late William B. Bankhead, and was re-elected to the office in every Congress since with the exception of the Eightieth. On Monday he tied Mr. Clay's record. As we convene today, his days in office number 3,058, surpassing that record.

It is always the fond habit of historians to speak of the "giants" of an earlier day; "giants," that is, in a political sense. The names of Clay, of Thomas B. Reed of Maine, "Joe" Cannon of Illinois, Champ Clark of Missouri, Nicholas Longworth of Ohio, Martin of Massachusetts stands out among them.

Not in derogation, but in fact, do we claim that the gentleman from Texas who now joins their famous ranks exceeds them in stature of accomplishment.

The burdens of the Speakership today are heavier than ever before in history.

The House is larger in membership. The volume of its business is greater. Its sessions are longer. The pressures are more demanding.

Yet, in the face of this great responsibility, Speaker RAYBURN carries on from day to day through the years with dignity, with fairness, and a calmness under stress which is a marvel of endurance and a tribute to his spirit.

Speaker RAYBURN, in fact, seems to embody in his conduct of the office all of those qualities which Mr. Clay himself laid down as ideal in one who would properly fulfill the duties of Speaker. Those duties, he is quoted in *Hinds' Precedents*:

Enjoin promptitude and impartiality in deciding the various questions of order as they arise; firmness and dignity in his deportment toward the individual Members, and the best arrangement and distribution of the talent of the House, in its numerous subdivisions, for the dispatch of the public business, and the fair exhibition of every subject presented for consideration.

They especially required of him, in those moments of agitation from which no deliberative assembly is always exempted, to remain cool and unshaken amidst all the storms of debate, carefully guarding the preservation of the permanent laws and rules of the House from being sacrificed to temporary passions, prejudice or interests.

In his administration Speaker RAYBURN likewise meets the specifications laid down for occupants of this office by Representative James Daniel Richardson of Tennessee in offering a resolution of thanks to Speaker David B. Henderson of Iowa at the close of the Fifty-sixth Congress.

The position of the Speaker of the House—he said:

is both judicial and political. It is judicial in this, that the occupant of the chair is at all times bound by and obedient to a code of rules prescribed for the government and control of the House, and in the execution of which he is but its organ and servant.

It is at the same time political. In the very nature of things, he is expected in his position to look carefully to the interest of his party, and while he is to administer the affairs of his great office in a manner to best promote the public weal, it is not expected that he will fail to use all legitimate and proper methods to build up his party and fortify it against attack.

Only two Members here today have served longer in the House than our Speaker. They are the venerable dean of this body, ADOLPH J. SABATH, of Illinois, and our other octogenarian friend, BOB DOUGHTON, of North Carolina.

Seven Speakers of the House and five Presidents of the United States have come and gone since SAM RAYBURN first took the oath of office as a Member of this House on March 4, 1913, nearly 38 years ago.

Thus the tenure of the gentleman from Texas—may it long continue—spans whole eras in our history. His role in the service of the Nation is cast against the panoramic background of great events.

His period of service encompasses the Mexican border incidents; the First World War; the so-called period of normalcy which followed it; the dark days of the depression and bonus army march

on Washington; the period of recovery and reform; the crisis of Pearl Harbor, the great national defense effort it evoked; World War II and its victories abroad; the post-war era, and now the time of new international tension, and threat of a third world war from another tyrannical force arisen in the east.

It covers the term of President Woodrow Wilson, his New Freedom, his creation of the Federal Reserve System and other notable domestic contributions and America's tragic failure, too, to enter the League of Nations.

It embraces the era of Presidents Harding, Coolidge, and Hoover, the "business as usual" calm that prevailed before the storm of economic disaster broke upon the country.

It includes the thrilling and active days of the New Deal under President Franklin D. Roosevelt and latter phases devoted to vital problems of war. It now includes the masterful leadership of President Harry S. Truman.

Few men are accorded the privilege of partaking in the actual making of history over such a substantial and eventful portion of a nation's life. Speaker RAYBURN has played—and is today playing—a significant and influential part in the affairs of our modern times.

Through it all, SAM RAYBURN has served his country faithfully and well with that reticence, honesty, and straightforward dealing which are the stamp of his character. He seeks no publicity, he avoids social glamor, shuns personal vainglory. He indulges in no long speeches. He speaks infrequently, but when he does, what he says is important and eloquent. His accomplishments in statecraft are in the field of action and not of words.

With all of the prestige of his position in the high councils of the Nation, SAM RAYBURN is unchanged, except in the growth of his wisdom and experience, from the young man sent to Washington by the people of the Fourth Congressional District of Texas. He continues to serve their interests—even as he serves the national interest—as he now begins his twentieth term.

Without affectation, completely devoid of pomp, he reflects the simplicity and directness of both his upbringing in a large family of godly pioneering stock and of the soil from which they sprang. SAM RAYBURN as a boy labored in the fields of Texas and it is to his farm that he loves to return at every opportunity this busy life offers.

I know of no finer tribute that can be paid the Speaker today than to repeat the words uttered by a fellow Texan on the occasion of a testimonial to Mr. RAYBURN last year when the Honorable WRIGHT PATMAN said:

The greatness of this man is in his plain dignity, the restraint with which he exercises power, the respect he holds for an opponent's views, the humility with which he carries his responsibilities, and in his deep and abiding faith in our democratic processes and in the collective wisdom of the Congress as the direct representatives of the people.

I believe it was Alexander Hamilton who said:

"The amelioration of the condition of mankind and the increase of human happiness ought to be the leading objects of every political institution, and the aim of every individual according to the measure of his power, in the situation he occupies."

SAM RAYBURN has always acted toward those noble ends.

The SPEAKER pro tempore. Will the gentleman from Indiana [Mr. HALLECK] kindly take the chair?

(Mr. HALLECK assumed the chair.)

Mr. McCORMACK. Mr. Speaker, I yield to our distinguished colleague, our outstanding former Speaker and now minority leader, my dear friend, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, it is a privilege to join with the majority leader in paying our sincere respects to a distinguished leader who has long been in the public service and who has served his State and country with great fidelity.

While we, of course, occasionally differ with some of his views, there is one common ground of unity for all Members of the House, Republicans and Democrats alike. We all honor and respect him.

The House of Representatives is unquestionably the most powerful legislative body in all the world, and to be elected Speaker of this great legislative body is a tribute, as our majority leader has well said, which comes to very few men in the history of our country, 44, to be exact. To be able to hold the position of Speaker for over 8 years, a longer period than any other individual in the history of our country, is indeed a rare honor. We do well to pause for a few moments in commemoration of this historic event to express our appreciation to the man who has attained this high honor. The man who previously held the record was Henry Clay, one of the outstanding statesmen of our history, a man so brilliant and so widely known that when he came to the Congress he was elected Speaker of the House of Representatives during his first term. He was a great Speaker and a great American.

Now we have a new long-term Speaker. The record that has stood for years is gone. A man for whom I have genuine respect and whose friendship through the years I have cherished, SAM RAYBURN, of Texas, has placed his name on the top of the roll of Speakers. We honor him and pay just tribute. He is broad enough, tolerant enough, and American enough to know that we all cannot be expected to agree with him on all these great questions that are debated in these historic Halls. We all have our opinions; we express them and debate the issues of our times. We offer amendments to legislation, and out of the legislative process in this great representative body comes the final decision. That is the American way of doing business. It is the American way which has appealed to people all over the world, and it is the way in which liberty has been maintained in America. It is a way

which must be preserved if we are to remain a free people. We can pay our respects and express our devotion to a man, and yet when the time comes for opposition we must express our own convictions. We must fight for what we believe is best for the general welfare of our country. We cannot have, we must not have, a one-party system.

Today partisanship fades; we join with our good friends on the other side of the aisle in tribute to a great leader and a good Speaker. I am sure that in commemorating this day, which may well be known as Speaker RAYBURN's day, now that the record of service in the Speaker's chair has been broken, it will cause no one too much concern if, say, 2 years from now, we usher in a new era—an era in which we will bring new conditions, new marks to shoot at.

I might say that yesterday when they were paying just honors to our beloved Speaker at the White House, I was at a little bit of a loss to understand my presence. I had a little guilty feeling that these exercises might have been held 2 years ago if it had not been for me. But these little conflicts, these little differences and upsets are what make America the greatest country in all the world. While Democrats and Republicans and independents may fight for their own viewpoints, which are so precious to the people of our country, we can pay respect and do honor to a great American and a great legislator. SAM RAYBURN is serving our country to the best of his fine ability in a position of the highest honor with fairness and impartiality. In the final analysis that resolves the great question of whether a man is a good Speaker or a great Speaker—his ability to be fair and impartial and to interpret the rules and do justice to all, even if it be adverse, as it must be at times, to his own party and his own convictions.

In my judgment our Speaker will go down in history as a man who has not only held this post for the longest period of time but as one who has filled his position with ability and distinction. To him on this day go my heartiest personal felicitations, and I am sure the felicitations of all Republicans as well as Democrats.

(Mr. MARTIN of Massachusetts resumed the chair as Speaker pro tempore.)

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I came to this House 44 years ago, in the Sixtieth Congress. I have served under 10 different Speakers. When I came to this House the great Uncle Joe Cannon, who had already attained the reputation and the title "the czar of the House," was the Speaker. His powers were unlimited. He was Speaker as well as chairman of the Committee on Rules. He appointed all committees and only such men were appointed to the important legislative committees as he believed would carry out his policies and his views. The Rules Committee, unlike today, had only three members: Uncle Joe Cannon, as chairman; John

Dalzell, a Republican; and John Sharp Williams, of Mississippi, the Democratic member—a great statesman. I frequently made the statement on the floor of this House that Uncle Joe Cannon, for some reason or other during the days that he presided, seemed to have bad vision in his right eye. He could never see those on the right—the Democratic side of the aisle—but I can testify to the fact that his sight in both eyes was excellent in the evening. Speaker Cannon served four terms, from 1903 to 1911.

During his last term, in 1910, a great fight took place to liberate the House from the dictatorial domination of Uncle Joe. We succeeded in amending the rules of the House, taking from the Speaker the great power he had been exercising. In fact, there were 25 liberal and progressive Republicans who joined with my Democratic colleagues in insisting that the Members of the House should have a far greater voice in its deliberations; that they should have the privilege and the right to vote on important legislation reported out by its legislative committees, which privilege was formerly denied them under the czarist rule of Speaker Cannon.

It was in this revision of the rules of the House that provision was made for a committee on committees to nominate and recommend the membership of the various legislative committees to the House for its approval.

In 1911 the Democratic Party became the majority party, and that great Roman from Missouri, Champ Clark, noted as a lawyer, statesman, and a great American, and an intimate friend of mine, was chosen as our Speaker. He just escaped the Presidency when he failed of nomination in the convention of 1912. Champ Clark served four terms as Speaker.

He was succeeded by Frederick H. Gillett, of Massachusetts, a splendid gentleman, high-minded and fair. He was typical of that staid New England stock so prominent throughout the years in our national legislative halls. He served until 1925 when he was elected to the United States Senate by the good people of Massachusetts. He was not the first Speaker, however, to be elected to the Senate.

I might say, without intending any reflection on this important body, that I hope our Speaker, if he so aspires, may some day be honored by the good citizens of his beloved Texas by being chosen as one of their Senators in the upper chamber. However, I do not want to infer that we want to lose him as our Speaker. I hope he will remain with us in this capacity for many more years.

Mr. Gillett was followed by that splendid American, Nicholas Longworth of Ohio. Nick, as he was affectionately called by his colleagues, was a colorful presiding officer, efficient, stern at times, a heavy wielder of the gavel during the more hectic hours of debate, but friendly and considerate of all. He was the son-in-law of that colorful and greatly admired President, Teddy Roosevelt. Longworth served three terms.

In 1931, in the interest of the country, the Democrats came into control of the

the House again. John Nance Garner, of Texas, was chosen Speaker. He was a true son of the expansive Texas plains. Small in stature but a giant in intellect, his splendid capabilities as a leader and statesman are well known to many today. He became Vice President when the great Franklin D. Roosevelt was elected President and assumed office in 1933. Jack Garner is still with us in spirit as he enjoys his remaining years in the sanctuary of his beloved surroundings in Uvalde, Tex. Following the busy hours of the day in which he surveys the activity of his great domain, I understand he still yields to the temptation of joining with his neighbors of an evening in the great American pastime in which I know he was always so proficient.

Mr. Garner was succeeded by Henry G. Rainey, a great man from my own State of Illinois the greatest State in the Union notwithstanding the claims of Texas—the State which gave to the Nation the immortal Abraham Lincoln, Stephen A. Douglas, and many other illustrious statesmen and leaders. A great liberal, possessed of remarkable ability, Henry Rainey was a tower of strength in expediting the progressive legislative program urged and advocated by President Franklin Delano Roosevelt.

Henry Rainey, with his shock of long, white hair, his broad-ribbed flowing black bow tie, his kindly face, and his sincere and heart-warming smile, was one of the most lovable characters it has ever been my pleasure to know. I felt honored, indeed, when he asked me to conduct his campaign for the Speakership against the powerful Texas delegation who were behind Mr. McDuffie. These characteristics, coupled with his remarkable knowledge of legislation and legislative procedures, made him one of the truly popular Speakers of all time. His tenure as Speaker was to prove all too short-lived. The grave problems confronting us during the depression years exacted its toll. He was called to his Maker on August 19, 1934, in his second year of the occupancy of the chair.

Mr. Rainey was succeeded by another outstanding Member of this House and one of the most popular Speakers of all time—my close friend Joseph W. Byrns, of Tennessee, a great liberal and a great Democrat. Tall and stately, with an almost sad and wistful expression on his face most of the time, this rugged pioneer from the hill country of Tennessee, came to Congress in 1909, 2 years after my service commenced. He was an indefatigable worker, thorough in every great problem he tackled, laboring diligently in behalf of his constituency, while assuming more and more responsibility in cooperation with the leaders of his party. His great talent and ability was recognized by his Democratic colleagues when they selected him as their candidate for Speaker upon the death of Mr. Rainey. He, too, had given of his strength and vitality so greatly during those trying years that he was called by death on June 4, 1936.

Mr. Byrns was succeeded by the gentleman from Alabama, William Brockman Bankhead, a highly cultured, well-

educated, and splendid American, one of the great intellectuals to hold that office, a man of great ability. He died on September 15, 1940. Thus, in the short span of 7 years three of our Speakers passed away, Rainey, Byrns, and Bankhead.

The present occupant of the chair, our beloved Speaker, SAM RAYBURN, assumed that office on September 16, 1940, and has held the position ever since with the exception of the 2 years of the Eightieth Congress which unfortunately brought about a Republican majority in the House. As I view it, the Republican membership could hardly have done otherwise than to elect the gentleman from Massachusetts [Mr. MARTIN] as their Speaker. He was eminently fair, understanding, and considerate of those of us on the right and a very able Speaker. I hope as I have frequently said on this floor and I repeat here today, that I hope he will continue as minority leader for many, many years.

SAM RAYBURN, our beloved Speaker, now exceeds the record of that great Democrat, Henry Clay. I shall not go into Clay's record or length of service. Historians have recorded his great service in words far more adequate than I can express. In addition to Henry Clay we have had such great Speakers as Taylor, Polk, Colfax, Blaine, and Crisp. Although I did not serve with all of those I have mentioned—I have served with only 10—I can state truthfully and honestly, having known all the 10 well—that they were all fine Americans, and very able and efficient Speakers. Unfortunately I could not agree with all of them at all times. That would be expecting too much in these critical times. However, without in any sense attempting to discount the evaluations of historians of the past or present as to the capabilities of former occupants of this distinguished post, I feel safe in saying that our present Speaker, SAM RAYBURN, in whom is embodied the wisdom, the patriotism, the statesmanship, the ability, and the lofty character of all his noted predecessors, is the greatest of them all. No more fitting tribute to the sterling character and outstanding ability of this great Texan, and the high regard in which he has been held by his colleagues throughout the years, could be paid SAM RAYBURN than the knowledge that he has been retained as their leader and Speaker for a period longer than any man in the history of Congress.

Every Member of this House recognizes the lovable traits of our distinguished colleague: his rare ability to control the flow of legislation; his patient and calm handling of the more turbulent moments of debate; the fatherly advice and the care he tenders the neophyte in our midst; the outstanding leadership he displays when crises arise; his thorough understanding of parliamentary procedures; the expeditious manner in which he renders decisions on the most intricate points of order raised in this House.

Working hand in hand with our President and the duly-constituted leadership today, he has assumed a vital place in carrying forward our complex program

in international affairs, in which it has been my privilege and honor to cooperate with him, with the result that legislation necessary to its progress and development has encountered little delay in this body. A staunch advocate of cooperation with our friendly nations throughout the world, he has risen to the heights in the test of real leadership and action.

It is a further tribute to our Speaker that only yesterday the President of these United States called him to the White House for the purpose of commending him upon the attainment of this unusual record, and presenting him with a rare gavel, the instrument of his authority, fashioned from wood taken from the White House during the present remodeling program.

SAM RAYBURN, I salute you. You are deserving in full measure of all the kindly words that are spoken about you on this floor today. You stand as a symbol of the fine democracy that is ours. Those of us who have had the great pleasure of knowing you and working with you throughout the years, as well as the younger Members in point of service in this House, Republicans and Democrats alike, join in wishing you well on this memorable occasion. As our former Speaker, Mr. MARTIN of Massachusetts, so aptly phrased it, you retain the respect and confidence of all the Republican Members.

You have the earnest and sincere wishes of us all for many more years of loyal, able, efficient, and enjoyable service in the Congress of the United States. As I stated earlier, it is my personal hope that you will remain as our Speaker for years to come, and that I might be spared a few more years to serve with you in this Chamber.

May the good Lord continue to bless you with good health, the strength, the courage, and the desire to carry on as a leader of men in these legislative halls for the good of all mankind.

Mr. McCORMACK. Mr. Speaker, I yield to the distinguished gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Speaker, I am happy to join with my colleagues here today in paying tribute to our distinguished and beloved Speaker, Mr. RAYBURN, for his outstanding, remarkable, extraordinary services as a Member of this House, and also as its presiding officer.

It has been my privilege to serve in this House with as many Speakers as any present Member save and except my dear friend, the grand young man from Illinois [Mr. SABATH], who served 4 years under the Speakership of the late distinguished Speaker Cannon. I have served with nine Speakers. I cast my first vote in this House to elect that great American Champ Clark as Speaker 40 years ago the 4th of next March.

Mr. Clark was succeeded by Speaker Gillett; then came Longworth, Garner, Rainey, Byrns, Bankhead, Rayburn, Martin, and again Rayburn.

Mr. RAYBURN has served longer in the exalted position he now holds than any other man in the history of our Government. Few men in the life of the Nation have rendered a service so useful and so

outstanding or have fashioned a record so brilliantly and so romantic as that of our distinguished Speaker. He rendered great service in this House before he was elected Speaker, as a member of and chairman of the great Committee on Interstate and Foreign Commerce. I understand also that as a businessman back in Texas he is among the most successful. Evidently he must be very popular. The first test of a man's real worth is his standing and his usefulness as a citizen. It is a great tribute to Mr. RAYBURN's worth and to his ability that he has served as Speaker longer than any man in the history of our country. Those who have visited Texas and have seen his countless acres, his numberless herds and bleating flocks, tell me that he is one of the most successful businessmen in the Lone Star State. So, in every category of life, his standing as a citizen, as a statesman, as a parliamentarian, and as a great Speaker, his record is of the highest order. I cannot say quite so much for him as a father, but he is young, he is handsome, he is popular, and vigorous, and we still have hopes in that respect. The same is equally true of our distinguished and beloved ex-Speaker, the Honorable JOSEPH MARTIN, of Massachusetts.

In conclusion I wish to say that Speaker RAYBURN's kindness to me, his helpfulness in my work in my humble service here has been of great assistance to me in the labors I have endeavored to perform. In my 40 years of public service here no one has rendered a service more useful, more able and outstanding than our great Speaker, the Honorable SAM RAYBURN. My earnest hope is that he may have many years yet to preside over the deliberations of this House, and that after retirement he may have many years of happiness on his farm back in Texas, and that when his life's work is done, the last chapter of the book in his life is written, the book is closed, and the curtain falls, that he will receive the welcome approbation "Come ye blessed of My Father, inherit the kingdom prepared for you from the foundation of the world."

Mr. McCORMACK. Mr. Speaker, I yield to the distinguished gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I find myself unable to resist this opportunity to add my brief remarks to the richly merited tributes which have been paid to our esteemed Speaker here today. May I say he is a man with whom I have developed through the years a close personal friendship, a friendship that transcends partisanship, yet a friendship which to my mind is clear proof that while as Democrats and Republicans we may disagree, and on occasion rather vigorously state our positions, we yet may be fine friends in the fellowship that is characteristic of the House of Representatives.

I agree with what our distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK] said, that it is a high honor and a great responsibility to serve as a Representative of the American people in the Congress of the United States. It is a privilege that comes to comparatively few. How

much greater, then, is the distinction when one attains the speakership of the House of Representatives, a position but twice removed from the highest office it is within the power of the Nation to bestow. Add to this distinction a period of service unsurpassed in the history of our Republic and you begin to measure the mettle of the man we honor here today.

If Speakers have been rare in our history, so, too, is the man who combines the qualities necessary in the character of anyone who aspires to this high office. He must be fair and just, a man of impartiality, of integrity, and with a deep sense of honor. He must be a man of honesty and courage, a man admired by his colleagues for his ability, his sound judgment, and his capacity for leadership. He must be a man who, having earned the speakership through an extended display of such qualities in the House of Representatives, yet retains the common understanding so necessary to any Representative of the people.

SAM RAYBURN is certainly such a man. He has won and held the affection and the admiration of his colleagues in this chamber and of his constituents back home in Texas. Down through the years he has demonstrated his willingness and his ability to serve the Nation in his capacity as Speaker of the House while continuing to serve the people of his district with all the energy and the devotion at his command.

The speakership is an emblem of integrity, a badge of honor, and a hallmark of strength tempered by justice.

If to serve your people and your Nation is its own reward, then certainly SAM RAYBURN is today one of the richest men in the Republic.

Mr. McCORMACK. Mr. Speaker, I yield to the distinguished gentleman from Kentucky [Mr. UNDERWOOD], who represents today the district the distinguished Henry Clay represented in his time.

Mr. UNDERWOOD. Mr. Speaker, today the gentleman from Texas [Mr. RAYBURN] will have served as Speaker of the House of Representatives longer than any other man.

Henry Clay was Speaker of the House for 8 years 4 months and 11 days. Mr. Clay held this record for a century and a quarter. He resigned as Speaker to become Secretary of State, an office of equal dignity and difficulty in that day and this.

Since I have the honor to represent the district which elected Mr. Clay to the House of Representatives, I am glad to join in the tributes that will be paid to the Speaker of the House. This district is still called the old Ashland district from the name of Mr. Clay's home place which recently has been made a public shrine through the efforts of the Henry Clay Memorial Association.

The present esteemed Speaker has surpassed but in no way eclipsed the record of the great Speaker of yesterday. Certainly no Kentuckian who enjoys basking in the reflected glory of the fame of Henry Clay will begrudge the honor paid to the distinguished son of Tennessee and Representative of Texas. Mr. RAYBURN has expounded the theory of national unity as truly as did his

eminent predecessor who said: "I know no South nor North nor East nor West—only my country."

The Speaker of today has honored in every way and has utilized for the best interest of the country through practical statesmanship this spot that Henry Clay immortalized.

Mr. McCORMACK. Mr. Speaker, I yield to the distinguished gentleman from Texas, vice chairman of the Texas delegation [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Speaker, I realize my complete inadequacy in trying to add to any of these tributes which have been paid to our great Texan and great Speaker, Speaker RAYBURN. However, it is a real pleasure to say a few words in behalf of the Texas delegation and, of course, in behalf of myself. It was my privilege to know quite a bit about Speaker RAYBURN long before I came here. I was born in his congressional district. I attended college in one of the towns in his congressional district. Our districts join. Incidentally, I might say it has always been interesting to me that he came to the House of Representatives the year I was born.

I might add it is my privilege to serve on the same committee on which he served for 24 years. Often his name is mentioned in our committee. His policies in running our committee when he was chairman are referred to as the best of examples. I know I have heard Representative CROSSER, our present chairman, and Representative WOLVERTON, our ranking minority member, mention him frequently in terms most favorable.

Speaker RAYBURN is loved most by those who know him best. For twenty-odd years I have heard it said at times by some who might not agree with him—everybody likes him—that they were going to beat Representative RAYBURN. People who had uttered this just do not know the man. They have not seen him in action. It was my privilege back in 1932, as I recall, to hear him making a speech to his people in one of his campaigns. The people in his home area have the same confidence, if not more, in SAM that we here have—complete and full confidence it is. And when he comes to his people to give an account of his stewardship, it requires but a few minutes for any person who might be wavering from the RAYBURN bandwagon, let us say, to be right back in line. Why is that so? Because he is so honest, he is so sincere, he is so able, he is so direct in stating the facts about his work and efforts. He does not hedge; he does not evade issues. His people know he takes seriously their problems, that he never shuns work or his duty. The degree of esteem in which he is held by so many people all over Texas is the very highest. They have the completest confidence in him that people can have in a man. Indeed, he is fully trusted, for his 43 or 44 years in public office establish clearly that he is trustworthy.

I have heard Speaker RAYBURN say something that has impressed me many times. He has said if a man has common sense, he has about all the sense there is. We here know and the people of Texas know that SAM RAYBURN is en-

dowed with the best of judgment and the highest degree of good common sense. Yes, I too, have heard him say in the last day or two that he thanks his God daily that he has confidence in people, and the great reward that he has received thereby is that people have confidence in him. One of the things that has impressed me most, as I have observed Speaker RAYBURN throughout the years is that he has been right on nearly all the big issues that have affected and confronted our country. He has been, in aviation language, on the beam at all times during his many years of public service.

One of the best tests of a truly great man in my opinion is the percentage of the time particularly on vital public issues he has been right. Tried by that standard, SAM RAYBURN certainly measures up to our greatest statesmen throughout the history of this Republic and this is one of the reasons why Texans certainly have great and unusual confidence in the man whom we are all honoring today.

Speaker RAYBURN has been referred to today as a modest man. This is true; he is incapable of acting a borrowed part. As one enters the State Capitol of North Carolina, he observes the motto, "To be rather than to seem." SAM RAYBURN has lived a life as a private citizen and a public servant that in my judgment can be accurately and appropriately described by these words.

Speaker RAYBURN is in no sense a selfish man. His life has been characterized by trying to help people by the thousands, and by the hundreds of thousands. He has helped humanity much. It has been said that what a man does for himself dies when he dies, but what a man does for others lives on after he has gone. I am aware that every Member here knows that there will be benefits people of our Nation will be deriving from now on, which are due to the efforts of our great statesman, SAM RAYBURN. Indeed, if it is true that all a man actually has is what he has given away, what he has done for others, Speaker RAYBURN, as a result of the many years of successful efforts he has put forth in behalf of others, is a rich man indeed, as the gentleman who just preceded me also ably said.

The Texas delegation and 8,000,000 Texans are justly proud that our own Texan, SAM RAYBURN, now has served longer as Speaker than any man ever served. We salute and honor him as you do and we hope and pray that his future years will be as he would have them.

I repeat what I said in the beginning of this short statement, that those who know Speaker RAYBURN best love him most. Texans know him well; they love him much. There are no 20 Members of Congress who respect, love, and appreciate Speaker RAYBURN more than the 20 Members from Texas who are his colleagues and who serve with him.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, Representative SAM RAYBURN, of Texas, the Speaker, was interviewed on the radio on the occasion of his passing the record of

Henry Clay as Speaker of the House of Representatives. I ask unanimous consent to insert the text of the interview in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

(Speaker SAM RAYBURN was interviewed on Capitol Cloakroom Tuesday night, January 30, 1951, by CBS correspondents Griffing Bancroft, Eric Sevareid, and Walter L. Cronkite, Jr. Following is the text of the interview.)

Mr. BANCROFT. Speaker RAYBURN, welcome to Capitol Cloakroom. And especially welcome on this occasion—for just today you passed the record of Henry Clay, who was Speaker of the House for 3,056 days, between 1811 and 1825. Today was your three thousand and fifty-seventh day in that high office which you first assumed in 1940, after having been in Congress since 1913. So that means you now have been Speaker longer than any other man in our history—and how does that feel to you?

Speaker RAYBURN. Well, somebody asked me one day when I first thought I'd like to be Speaker of the House of Representatives in Washington, and I told him as long as I could remember. And since that ambition has been achieved, I'm happy on the occasion and feel grateful to the Representatives of the people that they have placed this high confidence in me. And to have an ambition satisfied and be as high as you want to go or think you would ever go is very gratifying and very satisfying.

Mr. BANCROFT. You mean you are a politician with no further ambitions. Is that correct?

Speaker RAYBURN. That is correct.

Mr. CRONKITE. Mr. Speaker, you say that you have had this ambition to be Speaker of the House as long as you can remember. Well, I believe you served in the Texas Legislature before you came to Washington. Did you have the ambition to come to Washington and serve as Speaker of the House here when you were first elected speaker of the Texas Legislature? I believe you were one of the youngest speakers of the Texas Legislature.

Speaker RAYBURN. Long before that, Mr. Cronkite. When I was in the cotton fields down in Texas I think I said I wanted to go to the Legislature of Texas and be the speaker of the house, and I was and still am the youngest man (or was the youngest man) who was ever speaker of the Texas Legislature. And I was elected speaker 4 days after my twenty-ninth birthday. And then when I was 30 I was elected here, and I never turned that ambition loose all the years that followed until I achieved this place.

Mr. BANCROFT. Mr. RAYBURN, President Truman has described the office of Speaker of the House as the second most powerful office in the Nation. What do you regard as the principal duties of your job as Speaker?

Speaker RAYBURN. Well, a great deal depends on the power and the influence of the Speakership as to who the man is that occupies that position. The Speaker of the House is a Member of the House. The Vice President is not a Member of the Senate. The Speaker's power comes, I think, very greatly because the old days of pounding the desk and telling people where to head in, I think, have passed. My experience with the Speakership has been that you cannot lead people by trying to drive them. By persuasion and the best reason is the only way you can lead. In this way the Speaker has influence and power in the House.

The committee on committees are kind enough to ask the majority leader and the Speaker about their suggestions for memberships on the various committees. The

Speaker has the power of recognition. A great deal of the business of the House of Representatives is done by unanimous consent. And the Speaker is the only one who can recognize a man for that, and then we have on every other Monday what we call recognition for suspension of the rules. That's entirely in the hands of the Speaker. So, adding all these things together, why, the Speakership, of course, is a powerful position if the occupant of it knows how to deal with people.

Mr. BANCROFT. Which we know you do.

Mr. SEVAREID. Mr. Speaker, contrary to widespread opinion, the House actually gets through its business with much more efficiency and far greater saving of time than the Senate does, at least to my observation. Is that due to rules of recent time through your tenure as Speaker? What is the main reason?

Speaker RAYBURN. No; I wouldn't think so. The House has had definite rules for many, many years. We do have more definite rules than the Senate. When a bill comes into the House, instead of someone having the right to get on the floor and speak all day, we bring in a rule that provides that the time shall be so many hours, equally divided between the majority and the minority. They yield that time, and no one can speak except in that time under general debate. Then we read the bill for amendment, and anyone can offer an amendment and speak for 5 minutes on that. In that way we save time and expedite the business, because with 435 Members, if we did like they did with 96 in the Senate, why, it would be a pretty long session every year, and it would be impossible to get any legislation through.

Mr. BANCROFT. Well, Mr. Speaker, we watch you from the news galleries up above your rostrum and watch you wield a pretty heavy gavel sometimes. One thing that I've always wondered about—it looks sometimes like 9 or 19 people are on their feet all at once asking for recognition. How do you decide whom you recognize in those cases?

Speaker RAYBURN. Well, there are times when one of the men is on his feet asking to be recognized to promote the legislative program. The others are on their feet just asking recognition to speak for a minute, or 5 minutes or something of that kind. It's one of those things that you have to be selective in.

Mr. BANCROFT. In other words you facilitate the legislative process by recognizing the man who is going to tend to business and speak on the legislation.

Speaker RAYBURN. That's entirely correct.

Mr. CRONKITE. Mr. Speaker, I understand that a great deal of your success in pushing through the administration programs in the House is the result of some of the sessions you hold down in your office with some of the other Members of the House. In fact, it's been called—your office has been called—Rayburn's board of education.

Speaker RAYBURN. There was a room in the Capitol way back in the Longworth-Garner days—it was called the bureau of education. I have a hideaway now where I can sometimes go and read a little or dictate my mail and late in the afternoon some of the boys come by or are invited by and we have a session. And usually it's a session in regard to the legislative program, and sometimes Senators are there, and Members of the House, both Democrats and Republicans.

Mr. CRONKITE. I believe, as a matter of fact, Mr. Speaker, that a Senator by the name of Harry S. Truman was attending a meeting of the board of education the afternoon he learned of President Roosevelt's death. Was that not so?

Speaker RAYBURN. He was on his way to my office by invitation, as he and I had been great friends the 10 or 11 years he was in the Senate and through his Vice Presidency.

So that I was in that room and had a call and they said that Mr. Early was very anxious to talk to the Vice President. He came in and I told him that Mr. Early wanted him and he called him and he left immediately, because it was said that Mr. Early asked him to come to the White House immediately and as quietly as possible. A few moments after that we had the flash that President Roosevelt had passed away.

Mr. CRONKITE. Mr. Truman did not know at that time what the message Mr. Early had for him was.

Speaker RAYBURN. He did not.

Mr. SEVAREID. Mr. Speaker, you've been now in Congress I think 38 years. Do you have any generalizations or conclusions to offer about any change in that time in the general level of the ability, or however you look at it, of the House as a whole?

Speaker RAYBURN. Well, of course, there's a lot of talk about people who remember one outstanding or two outstanding or three outstanding men in a 10-year period or in a 20-year period, like Clay, Webster, and Calhoun in the Senate. But as I say I came here under the Speakership of Mr. Champ Clark of Missouri. Uncle Joe Cannon's time was over. However, he came back to the House during that time. I don't indulge in this thing that the character or the ability of the House of Representatives has gone down one particle since I became a Member. I think generally speaking the intelligence in the House of Representatives is higher than I have ever known it before.

Mr. BANCROFT. How do you think it compares with back in the days of Henry Clay—let's say, when he was Speaker, with your knowledge of history?

Speaker RAYBURN. Well, there were very few men then—you take the Constitutional Convention. And there were 59 men as I understand it who attended that convention. And you could name on the fingers of two hands those that were outstanding or supposed to be outstanding at that time and who are remembered in history. And that's no reflection on the man that was in committees and was doing the work. Of course, James Madison was supposed to have written more lines of the Constitution than any other man, than probably all of the men in it and kept notes on it, and he was called the father of the Constitution. He was outstanding. Of course, you had Hamilton, you had Washington, you had the great lawyer, Wilson, from Pennsylvania, Benjamin Franklin, Pinckney, and many men that I could name. But just because those men didn't happen to be in the forefront I don't think was any—well I might mention, Mason, who was another very outstanding man in that convention. But I don't think that because some did not show up in history like the ones I've named is any reflection upon the high degree of intelligence of the others.

Mr. CRONKITE. Hasn't the workload, the daily workload of the average Representative increased quite a good deal over the years?

Speaker RAYBURN. Both in committees, and in the House, and out—I can remember when—I think Mr. Harding was President of the United States—I would imagine I'd get 10 letters a day. And since that time it's grown and grown and grown. Now sometimes some Members get hundreds of letters in their office each day and that's one of the reasons why we've increased so in help in the offices. It just takes it to tend to the people's business and answer their inquiries and try to serve them.

Mr. BANCROFT. Well, Mr. Speaker, from your long experience let's get back to the No. 1 question in the minds of all the people of the world today and—you have been in Congress through two World Wars starting in 1913—what do you think are the chances of a third world war?

Speaker RAYBURN. Well, I want to go back just a little. I think we made a great mistake after the Second World War in taking our Army down too fast and taking our defense plants down too fast. But I don't see enough elements in the situation right now to think that a third world war is inevitable in the near future. And I think the greatest safety or the greatest protection against that is for us, the richest Nation on earth, by far, with its great capacity for production, I think we can avoid a war if we get so strong that international desperados and dictators will fear to attack us. I think that would be the way to avoid it and I think the Congress of the United States, as geared now, is willing to do that very thing if they have the leadership to tell them what that thing is.

Mr. CRONKITE. Mr. Speaker, in that connection do you feel that the House of Representatives should have more voice, a greater voice, in our foreign policy decisions than it has now?

Speaker RAYBURN. Well, I don't know many policy decisions that are made in Congress except the ratification of treaties and the confirmation of ambassadors that the House doesn't have at the present time. All legislation of a general nature that passes with reference to foreign affairs has to pass the House of Representatives, the same as it does the Senate. The House of Representatives furthermore has the right to originate appropriations. They can have a great influence on foreign affairs in that way, and then we have to originate tax legislation in the House of Representatives.

Mr. CRONKITE. Isn't it true today, Mr. Speaker, that we can hardly make any move in foreign affairs that doesn't cost money and therefore the House, as you say, has to originate that?

Speaker RAYBURN. I was thinking specifically of the Marshall plan. It's called foreign aid legislation. The legislation for that originates in the House and the appropriation is made first in the House.

Mr. BANCROFT. Well, do you think Congress will approve all the money the President has asked to make us stronger?

Speaker RAYBURN. I do.

Mr. BANCROFT. You think it will.

Speaker RAYBURN. Yes.

Mr. BANCROFT. Well, what about paying for it. What are the chances of a \$16,000,000,000 tax bill?

Speaker RAYBURN. Well, I think that the average American thinks that our public debt is big enough, and if it's possible that we should not increase that public debt; we should pay out of current revenues for this preparedness program we're in now. And I think the American people are just like I said about the Congress—I think the American people want to be strong and I think that they are willing to pay for it. We're the most prosperous we ever were in our history. I was thinking the other day about our national income. In 1932, it was \$39,000,000,000. In 1950, it was approaching \$270,000,000,000. That shows that we do have the capacity to pay if we can arrange it so that we can have taxation that will be fair to everybody and bear equally and equitably on all men in all sections.

Mr. SEVAREID. Mr. Speaker, a number of Republicans said when the new budget went up a couple of weeks ago that the President had disguised a good deal of nondefense and in their minds unnecessary expenditures under the guise of defense spending. What about that complaint?

Speaker RAYBURN. I don't think that's true at all. I think the President sent up an honest budget for 1951, just as he did in 1950.

Mr. SEVAREID. Do you think much of it can be cut—is there much water to squeeze out?

Speaker RAYBURN. It's always a hope that that can be done. And we're going to do

that just as far as we can and yet keep our civilian matters moving as we think they should move. We just can't quit everything else, and go into this preparedness program alone. I think we've got to keep our economy going. We can never pay this debt that we owe now unless we keep a large and a mounting national income. And our income is the greatest it's ever been. And that's the reason why I think we can do the things here that will make us safe and also keep our economy going.

Mr. BANCROFT. Well, Mr. Speaker, on the line of getting stronger this big problem of sending American troops to Europe—of course it's being debated at great length in the Senate—but it seems to me in the last analysis the House is going to have to put up the money, if it's decided to do it. What do you think about that? Should we send American troops, more American troops, to Europe?

Speaker RAYBURN. Well, I think exactly about that like I do about Marshall aid. I don't want a war fought inside the shores of the United States. I'd like to have some friends in the world, and I think we're encouraging them now by the Eisenhower visit and other things to make themselves stronger so they can stand alongside of us one of these days, if the bad time that we fear does come. And I think that we've got to let them know that we're in this game with them and that we've got to send soldiers over there to give specific evidence of our sincerity in wanting to join with them to fight back communism.

Mr. CRONKITE. Mr. Speaker, one of the prime functions, I gather, of the Speaker of the House is to translate to the President the temper of the House in various matters. How do you feel the House is lining up now on the long-range pull in this matter of keeping us on the internationalist bent, if you please, in our own defense rather than swinging back to some isolationism? As the expenses mount, as the controls come in, isn't there likely to be a pull back toward isolationism?

Speaker RAYBURN. Well, some people have said that if the fighting was stopped in Korea that there would be a drift back, probably to isolationism and to say "Let's come back home." I don't think that. I think the average Member of Congress, joined with the President, recognizes and realizes this common danger and that they don't think that this cease-fire in Korea would be the answer to that danger. And I think that the temper of Congress and with the President is better than it's been in the last 3 years, to be frank about it.

Mr. BANCROFT. Is there a real unity in Congress, on the foreign affairs?

Speaker RAYBURN. I would think very much, because we passed a bill over there the other day out of the Committee on Armed Services that called for the expenditure of \$2,000,000,000 in naval aircraft, and the Navy, and so forth, and we called the roll on that bill and the ayes were 365, and the nays none. That looked to me like a pretty good index of how our minds are running along on those things.

Mr. BANCROFT. Well, you had the same unanimous vote also, did you not, on the branding of Red China as an aggressor and opposing her admission to the United Nations?

Speaker RAYBURN. Well, there was no roll call on that, but the ayes were overwhelming and the noes very scattered.

Mr. SEVAREID. Mr. Speaker, if you were asked to sum it up, how would you explain the Democratic losses and the result of the election last November?

Speaker RAYBURN. Well, only once in my memory has the party in power not lost membership in an off-year election. And I think that was it, seems to me like that was—

Mr. SEVAREID. That was 1934, wasn't it?

Speaker RAYBURN. Nineteen thirty-four—that's correct. And we usually do that. We lost the House and Senate both in 1946. We came back in 1948 but I don't think anybody that looks the situation in the face was very much surprised that we lost seats in the House of Representatives because the people were bothered and worried and when they get that way sometimes they just vote for a change.

Mr. CRONKITE. Mr. Speaker, there's been a great deal of discussion about a southern Democratic and Republican coalition running the House and running the Senate, particularly on those issues on which they might get together. Do you think that is a real danger to the administration?

Speaker RAYBURN. Well, you know, being from the South (Texas, of course, is not southern exactly, it's not West, it's just the great Southwest), that's been talked around here for the last 18 years and I go back and look over the New Deal legislation, so-called New Deal legislation. And a southern man's name is on practically every piece of that legislation.

Mr. BANCROFT. Isn't your name on quite a bit of it, when you were chairman of the Interstate Commerce Committee?

Speaker RAYBURN. Well, in 4 years I wrote out about six or seven very important bills, and they were passed. Doughton, chairman of the Committee on Ways and Means; Summers, of Texas, Judiciary; Steagall, of Alabama, Banking and Currency; Jones, of Texas, Agriculture; Mansfield, Rivers and Harbors; Lanham, Public Buildings and Grounds—you can run right on through it. Now, there are some people from the South, of course, who do not believe in all of this domestic program, and they are not going to vote for it. That's all. They're just not going to do it.

Mr. CRONKITE. Some of the active Dixiecrats have said in the last week, I believe, that they think there is a good chance of a coalition candidate for President. They have even mentioned General Eisenhower as a possibility—a man who could run on the Republican ticket and at the same time win in the South. Do you think there's any chance of that in 1952?

Speaker RAYBURN. Well, now, I think General Eisenhower has too much sense to run on a coalition ticket. He might be nominated by the Democratic convention; he might be nominated by the Republican convention. But only once has the South not voted practically solidly the Democratic ticket, and I think it will do it—vote the Democratic ticket—again in 1952.

Mr. BANCROFT. That once was the—

Speaker RAYBURN. That once was the Al Smith campaign. And then, of course, four States in the 1948 campaign.

Mr. SEVAREID. You don't foresee any repetition of the third-party sort of thing such as we had in 1948 in the South this time?

Speaker RAYBURN. I rather think not.

Mr. BANCROFT. Well, you look forward from the Democratic point of view to 1952 with great confidence, then. Is that correct?

Speaker RAYBURN. It all depends—a great deal depends just what the situation in the world is at that time, and what our position is, and whom the Republicans nominate, and whom the Democrats nominate.

Mr. BANCROFT. Well, we've all seen you presiding over several political conventions, now, and presumably you will preside over one again in 1952. You mentioned earlier in the program that you have no further ambition. Does that mean you are not a candidate for the national ticket in 1952?

Speaker RAYBURN. I'm not and I haven't been because I was born in the wrong section of the country and at the wrong time.

Mr. CRONKITE. That's a little different than your predecessor as the man with the longest tenure in the House of Representa-

tives. I believe Mr. Henry Clay had quite a lot of ambition.

Speaker RAYBURN. Well, Speaker Clay, I think, was a potential candidate for President for about 30 years.

Mr. CRONKITE. He ran two or three times, I think, as an active candidate.

Mr. BANCROFT. I'd like to ask this one thing about the wage and price controls that have just been put on: Do you think they are going to work out all right and really stop inflation, or will the law have to be made stronger by Congress?

Speaker RAYBURN. Well, of course, that law has got to be revised because it expires as I think in about June 30, 1951. By that time we'll have the opportunity to look it over and see whether it should be made stronger. I think that the American people, or a vast majority of them, are not hoarders and that they'll be willing to go along, realizing the situation we're in—everybody's got to eat and everybody's got to wear and everybody's got to use just the same as they have.

Mr. BANCROFT. Well, you think it was the right thing for the administration to do.

Speaker RAYBURN. I don't think there was any question about it and, frankly, I think it should have been put into effect earlier, and would have been if the machinery for its enforcement could have been gotten into shape earlier.

Mr. BANCROFT. How about this other big problem that's down there in the House right now—this matter of drafting 18-year-olds? How do you feel about that?

Speaker RAYBURN. Well, I feel about drafting 18-year-olds just about like I feel about drafting anybody else. Nobody wants to draft anybody to go to war. And we're not going to draft anybody unless we think their services are necessary for our protection and building up the Army. It would be hoped that we wouldn't have to do that. But in many instances, of course, an 18-year-old boy, if he's your son or mine, is mighty young but a great many people believe it would be more just and fair to draft 18-year-olds than fellows 23, or 24, 25, or 26 who have obligations, who have families and a wife and several children. It's a matter that we've just got to work out and make it as fair and as just as possible.

Mr. BANCROFT. Mr. Speaker, I'd like to bring up here, coming back to this, your having been Speaker now longer than anyone else in history. There are only two living former Speakers in the country and we asked them about this before we got on the air and we have a statement here from the former Speaker, John Nance Garner, a fellow Democrat, and a fellow Texan of yours, who was also Speaker of the House before he became Vice President. And here's what Mr. Garner has to say: "SAM RAYBURN, my old friend and for many years close colleague in Congress, has established a new record for length of service as Speaker of the United States House of Representatives. I congratulate him. The fact that SAM RAYBURN has occupied this high position longer than any other man bespeaks integrity of character, fairness as a presiding officer, sound judgment, and great leadership. I have felt and feel now, that the Speakership is not only the most powerful post in Congress, but second most important in our Government. This is particularly so when it is filled by an able man, such as our distinguished and beloved Texan, SAM RAYBURN."

Now the other living ex-Speaker is a member of the opposition party and as you mentioned, in 1946 interrupted your tenure of Speaker for 2 years when the Republicans won control of the House. And we have here a recording from former Speaker, JOSEPH MARTIN, of Massachusetts.

"My most cordial congratulations are extended to the Honorable SAM RAYBURN, of Texas. To him has come the high honor and great privilege of serving as Speaker of the

House longer than any other man in the history of our country, surpassing the previous record of Henry Clay, of Kentucky. To be able to achieve such a distinction one must have ability, parliamentary skill, and a sense of fairness. These are possessed by Speaker RAYBURN and have been responsible for his success."

Mr. BANCROFT. These are tributes from the only two living ex-Speakers. Mr. RAYBURN, have you any comment on that?

Speaker RAYBURN. Well, it's most gracious of my old friend and fellow Texan, John Garner, to be fine enough to say what he has said about me, because his friendship and mine run back for 40 years. And to have my colleague in the House, of the opposition party, fine enough and kind enough to say the things he has about me is very gratifying and I am deeply grateful to both of these great ex-Speakers.

Mr. BANCROFT. Well, I'm afraid that's all the time we have and thank you very, very much, Speaker SAM RAYBURN.

Mr. McCORMACK. Mr. Speaker, I yield to the distinguished gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, it is a happy privilege to join with other friends and colleagues in paying a justly deserved tribute to the Honorable SAM RAYBURN, who has achieved the distinction of having served as Speaker of the House of Representatives longer than any other man in the history of the Nation.

The people of Tennessee, as well as the Tennessee delegation in the House of Representatives, feel a great degree of pride in the great record of service and the outstanding achievements of our beloved Speaker. He was born in Rome County, Tenn., and comes from two of the most prominent and highly respected families of our State. The names of RAYBURN and Waller have long stood as synonyms of honor and integrity among the people of the great Volunteer State. He has many relatives and a host of friends in Tennessee and is greatly admired and highly respected by all of the citizens of the State.

At an early age Mr. RAYBURN moved with his father's family to the State of Texas and there received his education and grew to manhood. As a young man he served in the Texas Legislature and occupied the high position of speaker of the house of representatives of that State. While still a young man he was elected to Congress from the State of Texas and his record of service has been one of brilliant achievement. His advancement in the House of Representatives has been steady and very outstanding. He served for many years as a member of the Committee on Interstate and Foreign Commerce and occupied the position of chairman of that great committee when he was called to a still broader field of service and elected majority leader of the House. Upon the death of Speaker William B. Bankhead, Mr. RAYBURN was unanimously chosen by the Democratic caucus for the exalted position of Speaker of the House of Representatives.

He has served in this great position longer than any other Speaker in the history of the country and has made an outstanding record for fairness and devotion to duty and commands the greatest possible degree of confidence, respect,

and esteem of all of his colleagues. Mr. RAYBURN has succeeded a long line of distinguished Speakers of the House of Representatives, but certainly none of them has ever achieved a higher degree of greatness in service to their country than that which has come to him. He is a man who possesses the highest attributes of Christian character and all of the sterling qualities of manhood. He is a man of recognized ability and demonstrated devotion to public service and justly deserves the high position that he now occupies as one of the greatest Americans of all time.

I am, indeed, glad to have this privilege of paying brief but very sincere tribute to one of the warmest friends and greatest men I have ever known. I certainly join with other colleagues in conveying my hearty congratulations and sincere best wishes to our beloved Speaker for many happy returns and to indulge the hope that he may have many more years of good health and happiness and the very best of everything in life.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this resolution may be permitted to revise and extend their remarks and also that all Members may have five legislative days in which to extend their remarks on the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, the heart of every Texan must have swelled with pride yesterday when their Speaker passed such a memorable milestone in the history of the Nation. It was an important event in the life of SAM RAYBURN and in the annals of the Rayburn family. It was of even greater importance to the State and the Nation.

In these times that try men's souls, it is most reassuring to note the steady and experienced hand of SAM RAYBURN sharing the helm of the ship of state. We may well be thankful for his wisdom and his conservative influence at a time when many are prone to swing to one extreme or the other.

On the personal side, younger Members of Congress are blessed by the presence of this generous man who always has time for those of us who seek his advice. I venture to say that more new men coming into this body choose Speaker RAYBURN as their ideal than any other man. Certainly no one could hope for a life of greater public service nor one of more value to his country.

Those of us who have profited by his wise counsel and who have been blessed by association with him join in congratulations to our Speaker RAYBURN, his family, his colleagues, and his Nation.

Mr. HOPE. Mr. Speaker, the office of Speaker of the House of Representatives is one of the most exalted in the world. It has been filled by some of the ablest and most distinguished statesmen in our history—men whose names have become household words, such as Clay, Blaine, Reed, Crisp, Cannon, and Clark.

It is a great honor for any man to have served as Speaker of the House of

Representatives longer than any other. I am happy that our present Speaker, SAM RAYBURN, has achieved this distinction. It is a far greater honor, however, to have filled that office acceptably and well for such a long period. I am sure that everyone who has had the privilege of serving under him feels that SAM RAYBURN has honored his great office. His fairness, his honesty, his outstanding ability as a legislator and a presiding officer, his qualities of leadership are such as to inspire the respect of all of us. His fine human qualities are such as to inspire our affection as well.

In my opinion, SAM RAYBURN will go down in history as one of the really great Speakers of the House, comparable in every way with the greatest of those who have preceded him. May he enjoy many more years of health and happiness and distinguished service to his country.

Mrs. BOSONE. Mr. Speaker, it is not important how well a man begins his life, but it is important that he is able to sustain himself from the beginning through the years of his lifetime. SAM RAYBURN has been able to sustain himself. In order to do this, the Speaker of the House apparently has placed value on the right elements of living. The Speaker loves simplicity and sincere humility because he loves honesty and has no regard for sham. The Speaker loves those things with which God has endowed this world—the sunshine, the marvels and beauty of nature, and the soil.

Greatest of all, our Speaker loves mankind and is deeply religious because he has such a keen sense of responsibility of his relationship to and with mankind.

When I was in Utah, before I was elected to Congress, and used to read of Mr. RAYBURN and hear his voice from the Democratic National Convention over the radio, I was impressed with his greatness; but knowing him personally has impressed me even more. I believe he is a great American so worthy of the esteem of his colleagues and fellow Americans.

Mr. ALBERT. Mr. Speaker, I would be presumptuous, indeed, if I thought I could add anything to the tribute that has been paid to our beloved Speaker by the most distinguished Members of this House on both sides of the aisle and from all sections of our country. I do, however, want to say a word on behalf of Oklahoma.

Oklahoma loves SAM RAYBURN. He lives closer to most of Oklahoma than he does to most of Texas. His district borders mine. His home, just west of Bonham, is only a few miles from Bryan County, Okla. Thousands of my constituents once lived in his district. Some of them went to school with him. Others went to school to him. All of them are proud to claim his friendship.

All over Oklahoma SAM RAYBURN is affectionately and, I think, accurately known as Oklahoma's Congressman at Large. We regard him as the No. 1 citizen of the Southwest.

Like all other Members of this House, I love SAM RAYBURN. He is the greatest man I have ever known. He is one of the great men of this day and generation.

On behalf of the people of my district and my State, I am happy to join with Americans everywhere in congratulating him upon the signal honor he has attained this day—the well-earned honor of having held longer than any other man the most important position in the most important legislative body in all the world.

SAM RAYBURN, CHRISTIAN GENTLEMAN

Mr. STEFAN. Mr. Speaker, Speaker SAM RAYBURN has innumerable facets of character. Many of us honor him as the American who has held for the longest period of time in history the proud title of Speaker of the House of Representatives. Many of us honor him as a man who speaks for the interests of his constituency and his State. Many of us honor him for his unswerving patriotism. Still more of us honor him as a long-time friend and associate.

My firm conviction is that none of us may pay the highest tribute to SAM RAYBURN. Without his being aware of it, SAM RAYBURN has paid that highest tribute to himself by his very life.

SAM RAYBURN is a Christian. His example has helped to bring the great teachings of our Master in the Sermon on the Mount into the Halls of Congress.

SAM RAYBURN is a Christian. I have gone with him when we fished together. I have heard him pray before partaking of God's food. I have watched him ask for God's guidance, on his knees, before going to bed at night.

A Nebraska poet once wrote:

You made a song of life.
I lived it. You were wrong.
You have a life left to live:
I—a song!

SAM RAYBURN has lived a long life of selfless public service. His vast accomplishments are dwarfed by the principles for which he served and lived. He himself is the noblest tribute to his own greatness.

SAM RAYBURN is a Christian gentleman.

Mr. TRIMBLE. Mr. Speaker, I wish to join my colleagues today in tribute to Mr. RAYBURN. He has the qualities of leadership necessary in this difficult hour. If I had to select one from all of his fine characteristics, I think I would choose fidelity—as meaning more to me than any other—I trust him. Shakespeare said it this way:

His words are bonds; his oaths are oracles;
his heart is as far from fraud as heaven from earth.

Mr. MORTON. Mr. Speaker, for more than 125 years Kentucky has been proud of her distinguished son, Henry Clay. Among his many outstanding accomplishments was the record of tenure which he established as Speaker of the House of Representatives. The fact that this record stood for a century and a quarter is in itself adequate proof of the significance and importance of that record.

It has been said that coming events cast their shadows before. Last May a magnificent 3-year-old thoroughbred horse came out of Texas and made the long trip to Kentucky. On Derby day, at Churchill Downs in the district which

I have the honor to represent, in the greatest classic of the American turf that Texas champion proved his mettle. Tens of thousands of Kentuckians paid just tribute to the new champion, Midleground, of Texas.

Today on behalf of hundreds of thousands of Kentuckians I wish to extend heartfelt felicitations and best wishes to the gentleman from Texas, the Honorable SAM RAYBURN. His distinguished career has made him a vital, living part of the great American tradition. Mr. Speaker, Kentucky yields to Texas.

Mr. AUCHINCLOSS. Mr. Speaker, as I sat and listened to the remarks which were made about SAM RAYBURN, our distinguished Speaker who has served in that capacity longer than any other incumbent, I could not help but think that here is a man who has walked with men and has won not only their admiration, their homage, but in very truth their warm affection. Such a character is indeed rare and such a personality is generally not met with in a lifetime, and so I consider it a great privilege to have known this man and to have served as a Member of the House of Representatives while he was its presiding officer.

This profound respect felt by all men who have come in contact with him is well understood because it is founded on the firm and everlasting rock of truth. If there ever was a man without sham or without pretense, it is SAM RAYBURN. He thinks honestly and in the great deliberative body which he presides over, he administers justice with impartiality and carries on the tradition of our Republic founded on truth. I think it safe to say that no man has filled this great office of Speaker with more ability, nor has anyone shown greater love for his country than SAM RAYBURN. The Speakers of the House of Representatives have all been men of integrity, honored by their fellow Members in being elected to their position, and all have served their country well, but there are very few men to be found anywhere whom the honor and distinction of high office has not marred and who still recognize that liberty and justice are the cornerstones of our Republic.

All that has been said about him, he deserves; all of the love which his fellow Members bear for him, he merits; and all of the best wishes which well up in our hearts today and go forward to him are his well-earned heritage. It has been a great honor to know him and it has been a distinct privilege to serve under him.

Mr. RHODES. Mr. Speaker, I consider it a high privilege to have the opportunity to serve in this Congress with our distinguished Speaker, SAM RAYBURN. I came here with the Eighty-first Congress in January 1949 and was immediately impressed with the great charm, the modesty, and the personality of our Speaker. One can readily see why so many people from his home State of Texas idolize him. The high esteem in which he is held by his colleagues on both sides of the House is a tribute to his great leadership, his fairness and ability, and the kindly manner in which he is ever ready to be helpful and cooperative.

It is indeed a privilege to serve in this greatest of all parliaments, but it is an especially great honor to serve under SAM RAYBURN, who, as Speaker of the House, I am sure will go down as one of the great men in American history.

Today we honor SAM RAYBURN for having served as Speaker of the House longer than any other man in the history of our Government, passing the great record of the immortal Henry Clay. With all my heart I join in paying a deserving tribute to one of America's greatest statesmen, SAM RAYBURN.

Mr. JOHNSON. Mr. Speaker, I am happy to be fortunate enough to serve under a Speaker who is a champion. The unique experience of having served longer than any other Speaker must be very thrilling to SAM RAYBURN. But SAM RAYBURN did not need merely time to demonstrate his worth. His championship qualities as a citizen, a legislator, and a committee chairman were recognized long before today. Mr. RAYBURN is a true gentleman. He is kind, he is tolerant, he is fair, and he has the indefinable attribute known as common sense.

Mr. COLE of New York. Mr. Speaker, this is one of the most memorable days of my 16 years of service. I consider it a genuine privilege to be present on the occasion when another milestone in the history of this body has been reached through the record which the distinguished gentleman from Texas [Mr. RAYBURN] has made in having served as Speaker longer than any other individual in history.

The eloquent tribute previously made today by the majority leader, Mr. McCORMACK, met with my complete approval and I endorse every word which he said with respect to the remarkable talents of Mr. RAYBURN.

It has been a source of genuine gratification to me to have served here during the time in which SAM RAYBURN established this record. Not only has he made the mark of his length of service as Speaker but what is more important, throughout that entire period he has achieved the genuine respect, admiration, and affection of all who have served under him because of his firm fairness, his becoming modesty and his calm counsel. I extend warm and sincere felicitations to him with the prayer that he may continue to enjoy his present health and vigor for many years to come in order that the country may have the benefit of his outstanding talents.

Mr. ARENDS. Mr. Speaker, permit me to extend to you my warmest personal congratulations on the distinction that is yours in having served longer than any other as Speaker of the United States House of Representatives.

This is indeed a great honor which has come to a really great man. But even without this honor, Mr. Speaker, you have made your place in history as one of our country's greatest statesmen and one of our greatest Speakers.

Since taking a seat in this great body I have served under four distinguished Speakers: Byrns, of Tennessee; Bankhead, of Alabama; Martin, of Massachusetts; and our present beloved pre-

siding officer, Rayburn, of Texas. I have always been impressed with the immensity of their job, and I have always been impressed with the ability and patience of those who have served as Speaker.

The reason the gentleman from Texas [Mr. RAYBURN] is a truly great Speaker is not alone his length of service as a Member of Congress and as Speaker, nor simply because of his legislative ability and parliamentary skill. He is a really great Speaker because he has at all times protected the rights of the minority. In all his rulings and in his every action he has sought to preserve minority rights in keeping with the highest American traditions, recognizing that in this fine country of ours "every man is king, yet no man dare to wear a crown."

As most of you may know, Speaker RAYBURN as a boy had an ambition to become Speaker of the House. That was his objective in life. He set himself to the task of realizing that ambition. He has done more than that. Today we are congratulating him on having served as Speaker longer than any other occupant of that high office. That in itself bespeaks the ability and character of our distinguished presiding officer.

I congratulate you, Mr. Speaker. I congratulate the people of your district.

Mr. LARCADE. Mr. Speaker, as a friend and neighbor to our distinguished Speaker, Hon. SAM RAYBURN, of Texas, it is with much pleasure that I join my colleagues in commemorating this day to a great American and statesman who has served longer as Speaker of the House of Representatives of the United States than any other Speaker in the history of our country.

Many of those who have preceded me have pointed out the patriotic service that Speaker RAYBURN has rendered to our Nation. Of his many fine traits and virtues, those that I have observed and appreciated are his kindness, helpfulness, patience, and modesty.

Always easy of approach, never too busy to give time to any Member, and always ready to advise on any problem, notwithstanding his enormous burden in his position, he has the patience to listen to anyone, no matter how important or trivial the matter may be.

In his modesty I am reminded by what Fielding said, "His modesty's a candle to his merit."

In his high and exalted position he has always been modest, and in his great accomplishments and service, which seem to come so easily and naturally, I think of what Henry Wadsworth Longfellow said:

The talents of his success are nothing more than doing what he does so well, and doing well whatever he does, without a thought of fame.

Mr. Speaker, fate is so often cruel and capricious that it changes the lives and fortunes of many of us.

I have always thought that had it not been for a quirk of fate a few years ago, SAM RAYBURN, instead of being our Speaker of the House, would have been President of the United States. Who can tell what fate yet has in store for SAM RAYBURN?

Mr. LYLE. Mr. Speaker, to few men is given the privilege of favorably affecting the lives of millions of people. This privilege has been given to our colleague, SAM RAYBURN. Because he has used this privilege and discharged his responsibility humbly, faithfully, wisely, and prayerfully, we have a better world; we have a stronger country and a greater faith in democracy and its precepts.

I am rich because I have clasped his hand in friendship; because I have felt the warmth of his personal regard and have had the treasure of his advice and counsel. Not because he has served as Speaker longer than any other man in the history of our Republic, but because he has done so exercising all of the qualities that free men admire, I salute him, I thank him, and I honor him.

Mr. Speaker, you are a great man because you have remained simple, humble, and accessible to ordinary men in the discharge of responsibilities that are extraordinary.

Mr. BROOKS. Mr. Speaker, not only is this a great day in the life of our illustrious Speaker; it is also a day of significance in the history of the Republic.

This day will be marked by historians as the day upon which our friend and colleague, SAM RAYBURN of the great State of Texas will have surpassed all previous records of tenure as Speaker of the House of Representatives. No man in the history of our Nation has occupied this coveted chair as long as this congenial, efficient Texan.

While we congratulate the Speaker, our real congratulations should be directed toward the Nation itself. The Republic has had the services of Mr. RAYBURN for more than 8 years as Speaker. More than 8 years of service during the most turbulent decades in history and in one of the most strenuous capacities a public servant can fill, is a great monument to this leader of men. Moreover, it is a monument to the American people and the American Government that in times of so much divergence of opinion that one man can hold the allegiance and confidence of those he serves for such a long period.

Speaker RAYBURN has become part and parcel of the useful legislation which has passed through this Congress and is part and parcel of many great economic and political programs which have shaped the history and destiny of this Nation. Millions of people throughout the world have felt the profound impress of the Speaker's career.

We who have heard the strong staccato of his gavel summon the Members of this House to order and to service for these many years pause now to honor this great Speaker. The Nation honors him. But in a larger sense he honors us by his action in remaining in this position of vast power and authority. We, his friends, wish him well as he moves ahead on an untried and unmarked trail leading us as a great nation into the future. We wish him good health and happiness for the many years ahead.

Seldom in history does the tattoo of a leader's gavel command so much respect.

Mr. DEANE. Mr. Speaker, to be able to add a brief statement on the occasion

of this signal milestone in the useful life of our beloved friend and colleague, the distinguished Speaker, SAM RAYBURN, bring to me much in joy and satisfaction.

At times it is difficult to express our fullest and deepest appreciation of a friend. That is true now as I attempt to acknowledge the great debt of gratitude I owe to our Speaker for his kindly interest, his counsel, and advice.

The leadership of SAM RAYBURN has brought to the young and the older men of this House alike an inspiration.

To know Sam is to love him.

Mr. MULTER. Mr. Speaker, as one of the newer Members of this House, I grasp the opportunity to add a word of tribute in honor of one of America's greatest citizens. To the newer Members of the House he has been more than a leader; he has been their guardian angel. It has not only been a great pleasure to follow his leadership, but it has also been easy and pleasant to follow his advice.

He has always been extremely helpful to the entire country. On October 13, 1950, the United States News and World Report published an interview with our great Speaker, entitled "What Influences Congress," which I am pleased to submit for the RECORD, as follows:

WHAT INFLUENCES CONGRESS—AN INTERVIEW WITH SAM RAYBURN, SPEAKER OF THE HOUSE OF REPRESENTATIVES

(EDITOR'S NOTE.—What Congress does is recorded at length, but what influences the action of Congress isn't as well known. To present an intimate view of how Congress operates and what the outside impact is on its legislative policies, the editors of United States News and World Report invited the Speaker of the House, SAM RAYBURN, to its conference rooms for an interview. The Speaker's position has been called the second most powerful in the country. Mr. RAYBURN is perhaps the best qualified man to discuss the workings of Congress. SAM RAYBURN was born 69 years ago and elected to Congress 39 years ago. He has been reelected every 2 years—never suffering a defeat. Schooling earned the hard way, a bit of teaching and 6 years in the Texas Legislature preceded his coming to Washington as Woodrow Wilson entered the White House. Only two men have been in Congress longer than Mr. RAYBURN. The Speaker, who is unmarried, has presided over the House of Representatives for eight successive years. During the Republican Eightieth Congress, he was minority leader. He was reelected Speaker of the Eighty-second Congress.)

Question. How much is the attitude in Congress going to change if the war ends shortly, Mr. RAYBURN? When Congress comes back, are you going to feel any urgency, or is there going to be a tendency to take controls off again, or ease them up?

Answer. Well, you know we are funny people. We get to talking excitedly. And, of course, everybody says get up and prepare and vote for these billions in order to set us up. I'm rather fearful, looking at things as I do, that when this Korean thing folds up, a lot of people will say, "Let's retreat." Now I think the best defense money we can spend is to get strong and stay strong, regardless of the cost.

Suppose we spent \$25,000,000,000 a year for the next 5 years, getting our country strong enough so that somebody would fear us. Well, that's a bagatelle compared to the waste of war. In 5 years we spent 350 to 400 billion dollars and materials galore, besides the lives and crippled bodies. I just

don't think there is any comparison between those.

I think weakness lays us open to attack. I don't think being strong tends toward aggression, especially on our part.

Question. If there is a popular reaction, will Congress not have to go along with it?

Answer. I don't think there will be that popular reaction. There may be some of it, a good deal of it, but I don't think it will be enough to control the situation.

Question. Controls ends automatically and will have to be renewed next year. If things seem better, will the controls be renewed?

Answer. Well, probably the attitude of Congress will be just about what the average fellow thinks, and I'm just the average fellow. I just don't believe that the people want us to get caught short.

Question. Do you think that attitude may depend on which party controls Congress?

Answer. Well, it might or not, as you look at it.

Question. Mr. Speaker, what will be the dominant issue before the next Congress?

Answer. I wouldn't know yet, but we raised a substantial part of the taxes to meet this emergency and we will raise other taxes either in this Congress or the next. If these programs that we have inaugurated go on, why, I don't see any major issues in the next Congress unless isolationism or too much reaction shows up.

Question. Has any real consideration been given to a base for the excess-profits tax?

Answer. Of course, they might use something along the line of the one that they had in World War II, with a different base period.

You know, when you go to fooling with taxes, you are fooling with a very intricate thing. You might in haste do a great group of people a great injustice, and that is not justified. Now, of course, we had the excess-profits tax during the last war and might have repealed it a little too soon, just as we took our Army and Navy down a little too fast and closed up our defense plants too fast. I've always thought that. Of course, I would have been just like any other father and mother. If I had had a boy, I would have wanted him on the way home.

But there were some mistakes made—I won't put my finger on them right now—against which some people cried out very much. But the experts on the Joint Committee on Internal Revenue in the House and Senate and the Treasury are working together now trying to fix the proper kind of base and hope that it will be equitable and won't hurt too much. Of course, all taxes hurt.

Question. Does the House of Representatives pretty well represent public sentiment? Do you think they keep ahead of the people?

Answer. They certainly try to, because they have to go back every 2 years.

Question. But things change, don't they?

Answer. If the people back home don't have enough faith in their Representative here to feel that, being in the midst of these things, he knows more about when changes come and situations that have to be met in emergency form than the average citizen, why, they aren't going to keep him here.

Question. They've got to trust him to have judgment?

Answer. That's right.

Question. But aren't some of these problems too big and difficult? You've got so many things to do in Congress—you've got to keep in touch with what people are thinking and analyze these problems and represent and reflect the pressures that are on you. How are you able to resolve all those things—just common sense?

Answer. There isn't any substitute for common sense, you know—that's all the sense there is. When a man has real common sense, he's as smart as anybody can be.

Question. Is a Member of Congress influenced much by the mail he gets?

Answer. I would think so, but I'll tell you a remarkable thing about congressional mail. You'll find, if you'll look over your correspondence for about 6 months, that in all probability from 5 to 10 percent of the people have written 90 percent of the letters. The fellow that's back there and satisfied and things are going all right so far as he's concerned, you don't hear from him. It's the fellow that's discontented or unhappy about something.

Question. Or it's mail inspired by some pressure group?

Answer. Oh, yes. I would think that in all probability 30 percent of the mail that comes to Members of Congress is inspired.

ANALYZING THE MAIL

Question. But does that influence the Congressman much?

Answer. I think the average fellow up there has a pretty good idea of sifting the mail he gets, and what it means, and how to evaluate it.

Question. He knows his district and people pretty well?

Answer. If he doesn't, they'll get someone who does.

Question. Do the Members of Congress read the press a good deal?

Answer. They do—every day.

Question. Do the editorials in the press have an impact on them?

Answer. The editorials from some papers—those they think reflect a very sound view of public opinion.

Question. Would you say that all the factors which enter into the formation of public opinion have a certain amount of influence on the Members of Congress?

Answer. That is certainly correct.

Question. Are Members of Congress inclined to read some of the petitions that come to Congress by mail or in the form of advertisements?

Answer. Oh, yes; petitions signed by constituents and in advertisements.

Question. Do you think that the Members of Congress are influenced a good deal by the leading constituents in their districts who may write to them from time to time?

Answer. Yes. And the correspondence of Members of Congress has increased manyfold since I became a Member of Congress.

OPINIONS THAT COUNT

Question. Do you think Members are impressed by letters that are obviously individual and not a part of propaganda?

Answer. That's correct. To an individual who is a friend they certainly pay a lot of heed.

Question. Or some individual whose opinion in the community counts for something?

Answer. That's right.

Question. We've heard from time to time that some Members of Congress maintain lists of what they call leaders in their community. Is that so?

Answer. Practically all of them do.

Question. In other words, these are people whose opinions they respect or whose opinions they regard as influential?

Answer. And that they seek advice from some of the time.

Question. Do you think a Congressman should try to lead his district, or should he reflect it?

Answer. That's double-barreled. I think that a Member of Congress in the House of Representatives is primarily elected to reflect the sentiment of that one district. He's got to do that, or they've got to have faith enough to believe that he can do that, or they take him out, anyhow.

If a subject is discussed enough and the people know enough about it to have an opinion, and he knows that that's their opinion, unless he is convinced that it is utterly wrong and hurtful, I think he ought to follow it, but I also think that if a man can't

lead the sentiment of his district, he's in trouble.

Question. Isn't it true that the people back home don't know about many of these issues?

Answer. That's correct as to some, but on many they know a great deal.

Question. What is Congress, then, a sort of meeting place where all the local interests meet, with the result a sort of discipline or some solution reached?

Answer. There are so many questions that we have that we can't localize—they're just national and international.

Question. How does a Member of Congress keep informed on all of these very technical subjects?

Answer. Well, he talks to everybody—he has to talk to everybody, including the Members of the House and the Senate and people from all over the United States. Congress is a mighty good cross section of the American people. You look at a fellow sitting in the House and he's just about a general average of the people he represents.

Question. Do you think that in its workings Congress is an efficient organization?

Answer. I certainly do, and I think that's been demonstrated at the beginning of the Second World War and within the last 2 or 3 months. Nobody wanted any controls any more—didn't want any OPA, didn't want this, that, and the other—but Congress jumped right in and in a very short time gave the President power to control inflation, prices, and wages.

Question. When things are fairly stable and people are fairly well satisfied, you don't change so rapidly?

Answer. There's no hurry to change then.

Question. So Congress does reflect public sentiment?

Answer. Well, the job of Congressman has changed, because, as you say, there are more national and international problems nowadays than there used to be.

Question. A Congressman isn't as much a local representative?

Answer. He can't be and be a proper kind of representative.

THE SPEAKER'S POWER

Question. Is the Speaker as powerful as sometimes pictured?

Answer. Well, that's a question that can be answered in a lot of ways. Of course, way back in the Cannon days when they called Reed a czar and Cannon a czar and all that, they took some of the power away from the Speaker—the power to name committees and the power of recognition.

The rules were liberalized in 1911, when the Democrats took Congress in the middle of Taft's administration. But I would think that the average Speaker still has a good deal of influence in naming committees. Of course, he has the responsibility of naming all the special committees and I don't think there's been a Speaker up there for quite a while that hasn't had quite a bit of influence on committees.

The old day of pounding on the desk and giving people hell is gone. We've all grown up now. A man's got to lead by persuasion and kindness and the best reason—that's the only way he can lead people. And a Speaker should be personally popular. He can't crack down on people.

Question. That's been the situation now, hasn't it, for a long time?

Answer. Well, a lot depends on the man that for the moment is occupying the position.

Question. What influences you, Mr. Speaker, in naming committees? How do you choose the members?

Answer. I choose as chairman the first Democrat who introduced the resolution for a special committee.

Question. I was thinking of the standing committees and the new Members of the

House—how do they get assigned to committees?

Answer. They all submit their names as applicants for certain committees. They may state first, second, and third preferences. If they can't get the first, then they go along to the second and the third. Sometimes they don't get even the third, but usually a man can get one of those positions. And they take it, of course.

Geographical location has something to do with it. You wouldn't want Members all from the South, or all from the North, or all from the East or all from the West. They like to have a pretty good cross section of the country on all important committees, and since this congressional reorganization bill, the committees are practically all important committees. We used to have 46 committees and now, I think, we have 19.

CHOOSING COMMITTEEMEN

Question. So far as possible, do you follow the Member's own preference for committee service?

Answer. We'd rather do it. But sometimes we don't think that that is the proper committee for him.

Question. But you don't know very much about a lot of these newcomers, when they come in, do you? What test do you apply?

Answer. Well, you know those new fellows don't have any idea how closely they are watched for the first few months. They also have a reputation when they come here.

One man might be a wonderful man for the Committee on Banking and Currency and no good on the Committee on the Judiciary because he isn't a lawyer.

Question. There still are one or two key men on each delegation who inform party leaders of the caliber of newcomers, aren't there?

Answer. That is correct, and the committee on committees listens to them when a new man comes up.

Question. Should there be more party responsibility in the House? Isn't there some way you can maintain more discipline within the party?

Answer. There is a lot of talk about discipline. It isn't a question of whether you get what you want today or not, or whether the Committee on Rules reports a rule today. The sum total is what you are looking for, and that is what I started out to say here a while ago. The sum total in this session, I think, is amazing under the circumstances. A tremendous amount.

As far as the House leadership is concerned, we have accomplished a lot. We have accomplished everything we thought we would accomplish in this session of Congress, and in some instances more. Of course, there are some of these issues that people filibuster about, but that will always be with us.

Question. The Congress and the White House don't always see eye to eye in what the objective is; do they?

Answer. Well, no two men that have got the good, common sense that I was talking about a while ago agree on everything. If they do agree on everything, one of them is doing all the thinking.

Question. The Executive and Legislature don't have to see alike? One shouldn't necessarily dominate the other?

Answer. I don't believe in any sort of domination.

Question. In Great Britain they have a system of government where the executive makes a decision, or the party in caucus makes a decision, and then everybody has to go along; don't they?

Answer. Yes; they do that, or they get thrown out.

Question. Do you think that system over there would work over here?

Answer. No.

Question. Why not?

Answer. It is too rigid. Our Congress is more independent, and our Executive is independent, too, and their executive is not. We elect a President for a definite time, and we elect a Congress for a definite time. I think that is much more responsible.

Question. Why couldn't we have a responsible ministry form of government here?

Answer. I feel that the people of the United States are the dominant power. They know that under the Constitution they are voting for a legislator for 2 years or for 6 years. I think they have the right to try him out for that length of time. And the party in power that would be overturned today might be the proper party to be in power tomorrow when a bigger issue is coming up. You cannot change Presidents all the time.

I don't like the system of splinter parties, either. We have not recognized more than two parties in the House of Representatives since the Civil War. When I came here in 1913, there were Teddy Roosevelt Progressives. But that party was not recognized. Members of the splinter parties in this country go to the party in the majority for assignment on committees.

IS THE 2-YEAR TERM ENOUGH?

Question. Do you think that 2 years is a long enough term for a Member of the House?

Answer. I have always felt that it ought to be 4 years. I don't know whether I think that as much now as I used to. A fellow hardly has a test in 2 years. He has a better test now than he used to have.

Question. How much influence do lobbyists have?

Answer. Well, now, it depends upon what you mean by lobbyists. People are called lobbyists, and, of course, the word lobbyist has a bad sound.

Some so-called lobbyists are men of outstanding ability, honest men who would tell you the truth and are helpful to committees. Now that kind of lobbyist is very helpful because he has studied one question for many years and maybe some of the members of the committee hadn't studied it at all. Members generally want to learn about it in order to have both sides honestly put forward so they can make a sane, sensible judgment.

Also there are lobbyists of the sort usually talked about, but they don't come to see me.

Question. You feel that different groups should get the chance to put their views to Congress?

Answer. Of course. And that will always be true. Some people who hire people to come here to Washington to represent them make mistakes in the type and character of man they get. But, as far as any of this so-called lobbyist influence in any pernicious way influencing Members of Congress, that just doesn't exist, in my opinion.

THE SOCIAL LOBBY

Question. What about the social lobby? Do they pull much weight in Congress?

Answer. No. I'll tell you a story about that. There was a very popular man who represented rivers and harbors groups. He knew a lot about the subject. When he went before a committee he was helpful. He built up wonderful friendships among the membership. When he would invite people out to dinner, they wanted to go because they didn't feel he was going to talk business.

Another fellow, probably with as much ability but not the personality, came here. He wanted to know how he could get to be the same kind of man the other fellow was, because he would like to give dinners and make friends, and so forth. But I said, "You make your friends first and then, if they want to dine with you, that will be fine, but you are not going to buy any friendship or influence around here with a dinner."

Question. Isn't it also true, Mr. Speaker, that Congress couldn't do its work without some kind of lobby?

Answer. Well, take the Committee on Ways and Means. The experts in the Treasury are very helpful to them, and experts on the outside are very helpful to them.

Question. Aren't the experts in the Treasury lobbyists in a way?

Answer. Well, you might say so. But they usually are sent for and are asked to give their views on things and to work with the so-called experts on the committee and get things ready to lay before the committee all the facts.

Question. They must like you in Texas—you've never been defeated—

Answer. I'll tell you something about people. I've been in politics all this time, and a lot of people say that people are unkind, and that they are unappreciative, and you get some pretty deep scars sometimes in politics. I haven't got any scars that I don't forget.

Coming down in the car today we were talking about hating somebody, and I said I didn't have any time for hate. I haven't got enough time to love the people that I'm under deep obligation to, and to think about the people you love is much better than hate.

I think that 98½ or 99 percent of the American people have got more good in them than they have bad, and when the test comes that better element will come up. And I think we will have demonstration after demonstration of that in the United States in years to come.

Mr. KEOGH. Mr. Speaker, I am moved at this time to associate myself with the expressions of high regard and friendship which have come spontaneously and with deep sincerity from a number of my colleagues for our distinguished Speaker. All of us who are privileged to serve in this House irrespective of political affiliation share in this admiration for the gentleman from Texas. He has won a well-deserved reputation as a gentleman of patience, understanding, and courtesy to even the most inexperienced Member—a gentleman who has contributed greatly to the prestige, dignity, and character of the House—a gentleman with an infinite capacity for making and keeping friends.

We are happy in the knowledge that the Speaker now holds the all-time record for service as a presiding officer of this House and we hope to have the benefit of his guidance and impartial administration of the rules of this body through many years to come.

Mr. RABAUT. Mr. Speaker, it has been said that some men are born to greatness and that other men have greatness thrust upon them. No one seems to have pointed out that there are men of another character who grow, by their own unrelenting efforts, to a greatness universally recognized by their fellows.

Such a man as this now presides over one branch of the most august legislative body in the history of political society, the House of Representatives of the Congress of the United States. Within the dignified walls of this Chamber there have transpired during the last one-hundred-and-sixty-odd years many of the momentous events which shape the course of history. From the floor of this House there arises living, day-to-day evidence that man is the master of his own destiny, vibrant proof that man, in

the light of his God-given reason and in conformity with the precepts of the Divine Lawgiver, can effectively act for the spiritual and temporal betterment of himself and his fellow man.

That is why the qualifications of those who serve here are required to be of the highest order. Members of Congress are called upon to be of solid integrity, deeply rooted in moral principles, lucid in thought and expression, wise in their powers of judgment, and profoundly conscious of the responsibilities of their office. Compound these prerequisites a hundred times over, add to them the friendly admiration and devotion of his colleagues and a master's ability to lead and direct the complicated and technical procedures of this House and you describe what is expected of our Speaker.

I am sure that it is the sentiment of this House that the man who now occupies the Speaker's chair has so conducted himself during the tenure of his office as to satisfy these qualifications many, many times over. The most solid proof of this is the fact that he has, as of this year, occupied the Speaker's chair longer than any other man in the history of the Nation.

In Congress after Congress caucuses of his fellow Democrats have named SAM RAYBURN to the highest office this House can offer. The Democratic Party can indeed look with pride to this sterling exemplar of its finest traditions. To a man, we are proud to call him one of us.

This admiration is not, however, rooted in partisanship. The first choice for this office by the Members on the other side of the aisle would naturally go to one of their own number, but when the votes are cast and the tallies made, the waves of applause, as the Speaker mounts the rostrum, resound with equal fervor from all sides of this Chamber.

SAM RAYBURN has indeed grown to greatness. Long ago he determined his life ambition to be the attainment of the high office he now occupies with celebrated distinction. He has discharged the responsibilities of this office in a way that has won him the admiration of each and every man who has had the honor of serving with him. Through every conflict that has raged on the floor of this House he has ruled our deliberations with a fair and just hand. Thus has he won the friendship of every Member of Congress and of many leaders of public life in America. We hear the gavel but we know the man. SAM RAYBURN has grown to greatness in our eyes and in the eyes of the Nation. On this day when he sets a new mark of greatness we extend our felicitations.

In his efforts of the future, made as they will be in the best interests of our country, we say, God bless you, SAM RAYBURN.

Mr. KLEIN. Mr. Speaker, I have listened with the most intent interest to the tributes of my colleagues, paid to the Speaker who has spent the longest time in office in history. Certainly those who have served with him so long, who come from his own great State, have seemingly mentioned every facet of his remarkable, admirable, and lovable character.

Yet to me, coming from the teeming streets of Manhattan's most crowded area, it seems that those of our colleagues who hail from wider vistas have overlooked a dominant note in the legislative symphony of which SAM RAYBURN is the conductor.

For surely it is not to me alone that this firm, sure-footed, solid man seems to embody in his person the majesty and the integrity of this great House.

AS SOLID AS THE CAPITOL

I have seen him, as have we all, on many occasions and in many locales. Wherever he is, though not a large man, he stands out; often he dominates a scene without a word, his own integrity dwarfing the chatter of a social scene.

I have seen SAM RAYBURN walking, solitary and alone, through the great rotunda of the Capitol, and he seems as solid and perpetual a monument to these United States as the Capitol itself. He walks with a measured tread, not pompously but surely, in a straight line; his walk is the walk of a man who knows his own strength, his own mind, his own authority.

Often when I see our Speaker I think how Walt Whitman, the poet of the people, would have loved this man from Texas.

THE NEW DEAL CHAIRMAN OF COMMITTEE

We forget now that only a little over a decade ago SAM RAYBURN was the New Deal chairman of my own Committee on Interstate and Foreign Commerce.

With the same unshakeable impartiality and integrity he presided over that committee when epochal reform legislation was being reported out and passed over the vociferous objections of one of the most lavishly endowed special privilege lobbies of all history.

SAM RAYBURN enrolled himself under the bright banners of Franklin Delano Roosevelt in 1932. He has never wavered in his fealty to that leadership, even when some of the late President's most cherished aims flew against deeply ingrained Texas prejudgments.

EARLY ACHIEVEMENTS

SAM RAYBURN came to Congress as the representative of the rich black prairie and valley lands south of the Red River, making the Fourth Congressional District, in the Sixty-third Congress, taking his seat on March 4, 1913.

Early in his congressional career he earned the praise of President Woodrow Wilson by skillfully piloting to passage the Railroad Stock and Bond Act.

In 1931—in the Seventy-second Congress—SAM RAYBURN became chairman of the Committee on Interstate and Foreign Commerce.

Under his chairmanship momentous measures flowed to the floor and to ultimate passage. A complete catalog of the public acts of which he was author or a leading proponent would be pointless and exhausting; however, there stand as monuments to his indomitable search for justice such statutes as the Rural Electrification Act, the War Risk Insurance Act, the Utility Holding Company Act, the Federal Securities—Truth-in-Securities—Act, the Stock Exchange

Regulation Act, the Railroad Holding Company Act.

He was a leader in the fight that resulted in the passage of farm-price supports, Federal aid for farm roads, social security, and other important mileposts in the New Deal legislative drive.

At the beginning of the Seventy-fifth Congress, SAM RAYBURN left his committee chairmanship to become majority leader; on the death of William T. Bankhead, of Alabama, the gentleman from Texas was elected to the speakership on September 16, 1940.

THE WAR YEARS

There succeeded the most terrible burdens ever carried by a Speaker of this House.

Before Pearl Harbor, isolationist sentiment was a powerful force, and the Roosevelt program of preparedness for the war that was charging toward our security was often threatened.

Time after time the skilled leadership and the profound confidence felt by the membership in his wisdom saved the defense program from disaster.

Through the war years and into the transition period SAM RAYBURN guided administration legislation with the tactical skill of a general. During the brief period of Republican majority he helped the Democratic Party regain its long leadership.

Perhaps there is no better way to close this brief and inadequate tribute to a man who has proved his manhood, who has shown himself to be a great American, a great Democrat, a great Speaker of the House, jealous of its prestige but sensitive to the needs of the country, than by quoting the letter addressed to him on September 16, 1942, by the late President Roosevelt.

The President wrote:

DEAR SAM: Congratulations on the completion of 2 years of faithful and efficient service in the great office of Speaker. An important post always, the speakership has assumed a special importance because of the gravity of the issues with which you have continually had to deal. Keep up the good work. The country has need of you.

With every good wish,

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. LECOMPTE. Mr. Speaker, all Members of the House are happy to extend felicitations to the great statesman from Texas who has established a new record for length of service as Speaker of the House of Representatives. Length of service is not his only achievement. He is one of the great statesmen of this age. Henry Clay's record is today surpassed. There have been many great statesmen who have filled the exalted position of Speaker of the House. Clay is generally credited with being the man who brought the Speakership to a very high level and made it one of the positions of first importance in our Government. The late Speaker Cannon, of Illinois, served for a long period of time and was sometimes regarded as a czar. In connection with Speaker RAYBURN's great service to his country, it is interesting to note that there have been only four Speakers from west of the Mississippi River in the period of 162 years since the Constitution was adopted and the

Federal Government was put in operation. The late Col. David B. Henderson, of my own State, achieved the honor of being the first Speaker of the House from the great region west of the Mississippi River. His service came around the turn of the century. In the administration of Woodrow Wilson, Speaker Champ Clark, of Missouri—another great statesman—wielded the gavel. In the middle of the Hoover administration the Democrats took control of the House and John Nance Garner, of Texas, became the Speaker. Later on he was elevated to Vice President where he served 8 years. Speaker RAYBURN thus becomes the fourth man from the region west of the Mississippi River who has filled this very important position, and he has established a new record for length of service, but, more important, he has performed a very great service for his country and has, at all times, enjoyed the confidence of the country and the esteem of all Members of the House on both sides of the aisle. We hail him and extend felicitations.

Mr. DAGUE. Mr. Speaker, it is with deep pleasure and a sense of high privilege that I join with those who have raised their voices in commendation of our distinguished Speaker, the Honorable SAM RAYBURN, who has capped an illustrious career by attaining a longer period of service in his high office than any other man in the history of this Nation.

As a member of the minority party, I have studiously avoided allowing partisanship to becloud my appreciation of the fairness, tact, ability as a presiding officer, and great parliamentary knowledge, such as are constantly displayed by Mr. RAYBURN. In addition I have had constant satisfaction in the assurance that without regard to politics our Speaker has always been one to whom a Member, new or old, could turn for counsel and advice, knowing that there constantly awaits every appeal that warm understanding which stems from a heart kept attuned to the thinking of the ordinary folks, in which group most of us are pridefully included.

It is my prayerful hope that Mr. RAYBURN may be spared for many more years of outstanding service in the Congress and that we may always enjoy in our legislative deliberations his wise counsel and sound advice.

Mr. MCGREGOR. Mr. Speaker, it is a privilege to pay my respects to a distinguished leader, who has long been a respected public servant. A man who has been often tried and never found wanting, a great American, our beloved Speaker, Mr. RAYBURN.

Speaker RAYBURN is truly a friend of all, regardless of position. He has helped thousands and thousands of people—he has indeed helped humanity.

On behalf of the people of my district and my State of Ohio, I am happy to join with Americans everywhere in congratulating him upon the single honor he has attained, in having served longer than any other person as Speaker of the House of Representatives.

We in Ohio are proud of Speaker SAM RAYBURN.

The SPEAKER pro tempore (Mr. MARTIN of Massachusetts). The question is on the resolution, and on this vote the Chair demands a division.

The House divided.

The SPEAKER pro tempore. On this vote the yeas are 338, the nays 0. The resolution is unanimously agreed to.

Mr. RAYBURN. Members of the House of Representatives, to all who have spoken and have uttered the generous words about me and my service, I am deeply grateful, and to every Member of this House, regardless of which side of the aisle you sit upon today, I want to thank you from the bottom of a grateful heart for the manifold courtesies and kindnesses of which I have been the recipient at your hands.

It has been a long time since March 4, 1913. It has covered a period in our history when prosperity has been with us, when depressions have been with us, and when national crises have been upon us. Serving with more than 2,500 men and women since I became a Member of this House, I still have the faith to believe that our country, as long as it is served by such men and women as these, is safe, that we will remain free, and that this great democracy will live on to serve. I know—I do not just think I know—as when crises of the past have come, if they come again, when the supreme test of the Nation comes, when its preservation is the question, these men and women of this House of Representatives will think and speak and act together for the preservation and the perpetuity of these priceless liberties that we enjoy.

It is a great thing to be chosen as a Member of this greatest of all popular legislative bodies. One term even for a constituency to trust a man or woman to speak their mind and cast their vote here is something to remember; but by the partiality and the graciousness and the confidence of one's colleagues to have been elevated to the high position that your favor has brought me to is a distinction that should satisfy the ambition of any man. I am one man in public life who has achieved every ambition he ever had.

Let me say to you again that I am grateful from the bottom of a grateful heart and I thank you.

THE LATE FRANKLIN DELANO ROOSEVELT

Mr. McCORMACK. Mr. Speaker, due to the untimely death of our late beloved colleague, John Sullivan, of Missouri, the House adjourned yesterday in accordance with custom, transacting no business at all. Because of that situation it was impossible for Members to make their remarks on a very important event that happened 69 years ago yesterday in the birth of one of the outstanding Americans of all time, a man who devoted his entire life in the service of his State and country, both in time of peace and in time of war, and who became the Chief Executive of our beloved country.

Yesterday was the sixty-ninth anniversary of the birth of the late lamented but immortal Franklin Delano Roosevelt. Few figures in the passage of time, in the known history of man, have made their imprint on the minds of men more

indelibly than has Franklin D. Roosevelt. Two and more generations from now, when the history of his day and era is written impartially and objectively by historians, projecting my mind into the future as far as it is humanly possible for me to do so, and analyzing the minds of such historians, it is my confident prediction that he will be numbered among the great constructive figures of all minds in the known history of man as a great humanitarian, a man who devoted his entire life to the sick, the oppressed, the exploited, the underprivileged, a man who led our country in time of great economic conflagration and rebuilt it; a man who led our country in time of war; a man whose life of leadership has been marked with the word "success." It is only fitting and proper, as we did before in the case of President McKinley, in honoring that great American, to pause today, delayed 24 hours, to honor the memory of a great man, a great American. No matter how one might have disagreed with him in life, I am sure that everyone who served in this body and every American have deep respect for the high motives that our late President entertained in giving our country the leadership he did during the many years he was our Chief Executive. So I pause to pay tribute to one whom I knew personally. To me it is worth living to have known the late Franklin D. Roosevelt, one whom I deeply respected as a public official and one who, in my opinion, the historians of tomorrow will number among the five greatest constructive figures in the history of all times.

COMMITTEE ON BANKING AND CURRENCY

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during the session of the House during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the Record in three instances and include extraneous matter.

Mr. CARNAHAN asked and was given permission to extend his remarks in the Record and include an editorial.

Mr. FLOOD asked and was given permission to extend his remarks in the Record and include an editorial.

Mr. MITCHELL asked and was given permission to extend his remarks in the Appendix in two instances and include extraneous matter.

Mr. DOUGHTON asked and was given permission to revise and extend his remarks by inserting in the Record certain letters and data in connection with the speech he will make on the bill under consideration, H. R. 1612.

Mr. PHILLIPS asked and was given permission to extend his remarks and include a resolution from the California State Legislature.

Mr. POULSON asked and was given permission to extend his remarks in

two instances and include extraneous matter.

Mr. DONDERO (at the request of Mr. REED of New York) was given permission to extend his remarks.

Mr. GAVIN asked and was given permission to extend his remarks and include a newspaper article.

Mr. VAN ZANDT asked and was given permission to extend his remarks in two instances.

Mr. LATHAM asked and was given permission to extend his remarks and include extraneous matter.

TRADE AGREEMENTS EXTENSION ACT OF 1951

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 103 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes. That after general debate, which shall be confined to the bill and continue for 1 day, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and now yield such time as he may desire to the majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I desire to make two brief announcements. First, may I say that the following-named Members will be the official objectors on the Democratic side for the Eighty-second Congress for the Consent Calendar and the Private Calendar: The gentleman from Arkansas [Mr. TRIMBLE], the gentleman from North Carolina [Mr. DEANE], and the gentleman from Colorado [Mr. ASPINALL].

I also desire to announce that a number of Members of the House will attend the funeral of our late friend, John Sullivan, of Missouri. The requiem mass on the occasion of his burial will take place on Friday morning. Due to the weather difficulties now prevailing, arrangements will have to be made for them to leave early this evening in order to be sure they will arrive in time to attend the funeral. Consequently, the general debate on the reciprocal trade agreements bill will take place today, but the consideration of the bill under the 5-minute rule will be postponed until Monday next.

Mr. ELLSWORTH. Mr. Speaker, I yield 3 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

(Mrs. ROGERS of Massachusetts asked and was given permission to revise and

extend her remarks and include an article appearing in the Lowell Sun of Saturday, January 27.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, those of you who were listening to Ray Heule's Three Star Extra on the air last night heard Ned Brooks, one of that trio of Three Stars, speak of the fact that the armed services were drafting into the Army and the Navy a large number, over 400 of the Veterans' Administration doctors and over 303 nurses have been called to the armed services; dentists are being taken also.

Mr. Speaker, it is unfair to take away from the veterans who have given so much for us, the battle-wounded and the ill, the mentally and physically ill veterans, their fine care. This is the second time this sort of thing has happened, because during World War II some of the very best doctors of the Veterans' Administration were drafted into the Army and the Navy. Finally after pleas by the Veterans' Administration and me, the Veterans' Administration doctors were given military status. That plan was helpful.

I have been working on this matter for some time but have been unsuccessful thus far. The Veterans' Administration has the finest medical and surgical service in the world today. It is poor appreciation of our disabled to take that service, that care away from them. The Veterans' Administration doctor should be given the same rank as is given the doctors in the Army and the Navy, and the nurses, too, should have the same rank. Then that very fine care could continue. The interest of Veterans' Administration three star extra should be very helpful in bringing about the results we desire.

Go into any ward today in the hospitals, and you can see the horrible mutilations that have taken place in this Korean War. Certainly when these men are discharged they should receive the very best of care. They should be given their chance to have everything they can to be physically and mentally rehabilitated.

Mr. Speaker, at Walter Reed Hospital there is a boy named Troilo. He was given an ovation in Constitution Hall when he was introduced at the Very Important Persons performance recently which was given for the aid of the veterans. Soldier Troilo is a double amputee. Before leaving Fort Devens in my district for Korea he met and became engaged to a very fine Lowell girl. That man is a Pennsylvanian, but love of a woman is going to make him a constituent of my district. We welcome him and will give him all honor.

[From the Lowell (Mass.) Sun of January 27, 1951]

LOWELL WOMAN TO MARRY WIDELY KNOWN ARMY AMPUTEE—JUDY PAGE, 20, OSGOOD AVENUE, ENGAGED TO PFC ANTHONY J. TROILO, KOREAN WAR HERO

LOWELL.—An attractive 22-year-old Osgood Avenue woman sat close by her radio last Thursday night and her eyes sparkled as she heard the tremendous 12-minute ovation bestowed on an Army amputee by President Truman and a group of Washington VIPs.

The occasion was the VIP amateur show of the Women's National Press Club at Constitution Hall and the special guest of the evening was Pfc Anthony J. Troilo, of Norris-

town, Pa., fiancé of Miss Judy Page, of 20 Osgood Avenue in West Centralville.

TOASTED BY NATION'S LEADERS

Her legless husband-to-be was being toasted by the Nation's highest leaders and the wife of the Vice President of the United States, Mrs. Alben Barkley, was pushing his wheel chair onto the stage while the plaudits of the large crowd rang in the ears of the Korean veteran.

She found it impossible to hold back the tears a few minutes later when the soft voice of her beloved began reciting the verse of the Battle Hymn of the Republic. Judy could visualize the emotionally thrilling moments as the President and Mrs. Truman, Vice President and Mrs. Barkley, and Representative Sam Rayburn and a host of other notables sat listening to her boy friend recite the famous verse.

The young couple have been planning their wedding day for almost 2 years. Luck hasn't been with them, until now.

Judy and Tony, a Purple Heart veteran of World War II, met while he was stationed at Fort Devens. During Tony's first Christmas at Fort Devens in 1949, he was invited to the Page home for a holiday dinner, and it was then that a romance blossomed. A few months later after their initial meeting they decided to be married.

The two settled on a date in the following July for the wedding but a month before the wedding was to take place Tony was informed that his outfit would be shipping out for Korea soon.

So the two young lovers decided to postpone the wedding until he was discharged from the service, which he thought would be in a couple of months. Fate had a different view on the matter.

TAKEN PRISONER

It was with his unit, C Battery, Tenth Field Artillery Battalion, Third Infantry Division, while they were racing toward the Manchurian border that they were ambushed and he was captured by the North Koreans.

The second day after his capture, Tony was turned over to the Chinese Communists who held him and many of his buddies prisoners for 20 days before he was finally liberated by units of the Twenty-fourth Army Division.

SUFFERED FROSTBITE

During the time he was captured, Tony was put into a flimsy wooden shack and had his shoes taken away from him. He was kept there for 10 days in freezing weather, and it was during this period that Tony received a serious case of frostbite which eventually led to the amputation of both legs below the knees in an Army hospital in Japan.

When Judy heard of the amputation of Tony's legs, she was naturally pained, not for herself, but for Tony, who she knew had suffered through a tremendous ordeal. She attended church every day and prayed that Tony would recover and be returned to her. God must have heard her pleadings, for Tony will recover and will return to Judy.

Tony was flown from Japan early in December to the United States and the Walter Reed Army Hospital in Washington, D. C., where he will undergo further surgery for the removal of six more inches from both legs.

GUEST OF DREW PEARSON

A few days before Christmas, Drew Pearson, syndicated Washington columnist, heard Tony's story and asked him to appear on his Sunday-night-before-Christmas radio program and, as an added treat, invited Judy and her mother for a 4-day all-expenses-paid trip to the Nation's capital for a visit with Tony.

Judy and Tony continue, as they have since he went overseas, to correspond every day and make plans for their wedding day,

which they hope and pray will take place sometime this year. According to Judy, they will make their home in Lowell, where, as Tony told his fiancée, "he feels at home."

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, while we may differ in our votes on the bill, I think we all agree that the rule, House Resolution 103, providing for the consideration of the bill (H. R. 1612) to extend the Reciprocal Trade Agreements Act, should be adopted, and the measure brought to the floor for debate.

I have taken this time this morning, Mr. Speaker, for the purpose of correcting an evident misunderstanding. I am a national committee member. In the last few days, there has been a great deal of publicity in the newspapers, and some statements have been made on the floor of another legislative body, relative to the power and influence of national committee members in connection with certain appointments to positions in the new agencies of Government which have been created to meet the grave national emergency which confronts us. So I want to make this statement: I have not been approached by any public official or representative of this administration with the request that I, as a member of the national committee make any endorsement or recommendation of any person who has sought or has been appointed to any of these new positions which have been so lately created.

I have checked with two of my colleagues on the national committee, the gentleman from Indiana [Mrs. HARDEN] and the gentleman from Tennessee [Mr. REECE], and they advise me they have not been so approached. So after a rather careful, and prolonged study and investigation, I find that if this rule that all patronage matters must be cleared with the members of the national committee, as charged, is in effect it does not apply to the membership national committee to which Mrs. HARDEN, Mr. REECE, and I belong. I wish to make it very clear that we are members of the Republican National Committee, and as such, we have not been bothered at any time, or consulted or contacted, concerning any of these appointments to jobs downtown, as some people may think we have been.

So I hope that those who do seek such appointments in these great war agencies to these new jobs that have been created because of this great national emergency will realize none of the three of us has anything to do with such patronage matters. Whether any other committee member has any influence in connection with selecting these new job holders, I do not know; but, always being very honest and frank with my colleagues, I might say to the gentleman from Tennessee, I am rather suspicious that perhaps there is some foundation for these reports of political influence dominating the employment situation here in Washington, because, bearing a rather honorable but common name, I sometimes get calls actually meant for other Members of the House having

names similar to mine, and before the caller finds out from which State I come, am consulted on Federal patronage matters. But I do want to make it clear that it has not been the practice of this administration to consult the members of the Republican National Committee in connection with any dispensation of Federal jobs, as has been so freely discussed in the other body, and in the columns of the press, during recent days.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, I represent a heavily populated railroad district in Pennsylvania, where we have hundreds of retired railroad employees or their survivors who are barely existing on a meager annuity or pension. These good Americans are victims of the high cost of living and without fear of contradiction, I can say that some of them are actually hungry.

During the Eighty-first Congress there were nearly 50 amendments offered to the Railroad Retirement Act, all of them providing for liberalization of the existing law and an increase in monthly benefits. I was among the Members of Congress who sponsored these amendments and pleaded for action, only to be informed that the retirement fund would not stand an increase in benefits. In this connection, there was an honest difference of opinion among those who speak for railway labor and among Members of Congress.

Already in the Eighty-second Congress, many bills have been introduced to provide for the liberalization of the Railroad Retirement Act and to increase monthly benefits. Among these bills are several measures introduced by me which include H. R. 1404, H. R. 1405, and H. R. 1406.

H. R. 1404 provides for a 20-percent increase to all annuitants and pensioners under the Railroad Retirement Act.

H. R. 1405 provides for a 20 percent increase for widows and other survivors of retired railroad employees.

H. R. 1406 is a straight across-the-board increase of \$15 monthly to all retired railroad employees.

These bills in my estimation represent a reasonable approach to the plight of the retired railroad employee or his survivors, and at the same time they can serve as a basis for immediate action by this Congress in amending the Railroad Retirement Act.

According to the Railroad Retirement Board, the average age of the disabled and retired railroader who is receiving a monthly annuity is 70.2 years. There are 247,000 of them and their average monthly check is \$82.81.

The average age of the pensioner is 81.9 years and there are 7,840 of them who receive an average monthly pension of \$70.80.

The average age of the widow of a retired railroader is 72.8 years and there are 75,491 of them who receive an average monthly survivor's annuity of \$29.59.

Taking into consideration the meager monthly benefits payable under the Railroad Retirement Act, it is interesting to compare them with the sharp

increase in the cost of living since 1937, when Congress enacted the Railroad Retirement Act.

The following information was furnished me by the Bureau of Labor Statistics of the United States Department of Labor under date of January 12, 1951. The letter reads as follows:

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D. C., January 12, 1951.
The Honorable JAMES E. VAN ZANDT,
House of Representatives,
Congress of the United States,
Washington, D. C.

MY DEAR CONGRESSMAN VAN ZANDT: In response to your telephone request to Mr. Hollander of our office today, I am sending you the following tabulations of consumers' prices indexes for moderate-income families in large cities combined (national average), by major classes, for the years 1937, 1948, and for November 1950, the latest month for which figures are available, and the percent changes for the periods specified.

INDEXES (1935-39=100)

	1937	1948	Nov. 15, 1950
All items.....	102.7	171.2	175.6
Food.....	105.3	210.2	209.5
Apparel.....	102.8	198.0	195.0
Rent.....	100.9	117.4	125.4
Fuel, electricity and refrigeration.....	100.2	133.9	143.7
Housefurnishings.....	104.3	195.8	202.3
Miscellaneous.....	101.0	149.9	160.5

PERCENT CHANGES

	1937 to 1948	1948 to November 1950	1937 to November 1950
All items.....	+66.7	+2.6	+71.0
Food.....	+99.6	-3	+99.0
Apparel.....	+92.6	-1.5	+89.7
Rent.....	+16.4	+6.8	+24.3
Fuel, electricity and refrigeration.....	+33.6	+7.3	+43.4
Housefurnishings.....	+87.7	+3.3	+94.0
Miscellaneous.....	+48.4	+7.1	+58.9

I hope these figures will serve your purpose. Do not hesitate to call on me if I can be of service at any time.

Very truly yours,

EWAN CLAGUE,
Commissioner of Labor Statistics.

Mr. Speaker, since the Railroad Retirement Act was approved by Congress, the only increase granted was the 20-percent increase approved by the Eightieth Congress to annuitants and pensioners. This increase did not include widows or survivors. Yet, the cost of living on all items increased 71 percent between 1937 and November 1950 and, as we all know, is continually rising.

As I said in the beginning, the retired railroader or his survivors are in many cases actually hungry and we are guilty of gross negligence if we continue to ignore their plight.

Mr. SMITH of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Speaker, I paid tribute, along with other Members of the House, to the great service of our great Speaker, as will appear in the RECORD, but at this time I am reminded that today another Government employee rounds out 49 years of service:

Mr. Joseph H. McGann, who has been with the Committee on Rivers and Harbors for 49 years.

I ask unanimous consent, Mr. Speaker, that I may revise and extend my remarks, and that the same be printed in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, the resolution under consideration makes in order the bill (H. R. 1612) which is the usual extension of the Reciprocal Trade Agreements Act which we have had heretofore. The resolution provides for 1 day of general debate. As I understand it, the general debate will continue throughout the day, and the vote will be taken later. I have no request for time on this side, Mr. Speaker.

I therefore move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1612, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the debate will continue throughout the day, with the time equally divided and controlled by the gentleman from North Carolina [Mr. DOUGHTON] and the gentleman from New York [Mr. REED].

The gentleman from North Carolina is recognized.

Mr. DOUGHTON. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, I feel very much honored by this large attendance here today, since almost the full membership of the House have come here for discussion of this very important resolution under consideration.

Mr. Chairman, H. R. 1612, the pending bill, would extend for another 3 years from June 12, 1951, the authority of the President to enter into foreign-trade agreements under section 350 of the Tariff Act of 1930. It will be remembered that the original trade agreements legislation in 1934 was conceived as a basic change in the American tariff philosophy embodied in the Smoot-Hawley Tariff Act, which established the highest tariff schedules in our history. At the time of enactment of the Smoot-Hawley tariff law, the most eminent economists in the country warned of the potential dangers from its enactment.

Although its sponsors predicted that it would bring about unparalleled prosperity, we were soon to experience our worst economic catastrophe.

It was in this setting that the Honorable Cordell Hull, one of the most honored and revered statesmen and greatest public servants our country has given to the world, conceived the reciprocal trade program for adjustment on a mutually reciprocal basis with other nations of the barriers to world trade. This is the picture which he presented to the Committee on Ways and Means on March 8, 1934—and my colleagues will well remember that he had served for 18 years on the Committee on Ways and Means before he left the Congress. He said:

Extreme obstructions to international trade inevitably result in serious economic controversies or wars, the minimum of commerce between nations, constant overproduction through lack of facilities for distribution, together with every sort of artificial device to deal with the domestic price situation, vast idleness of labor, and emigration of capital into thousands of foreign industrial plants, to say nothing of the difficulties of effecting transfers of debt service due from one country to another. The alternative policy would appear to comprise a liberalization of the existing obstructions and restrictions by degrees and over a period of time through careful trade arrangements, to a more moderate and reasonable basis.

The Committee on Ways and Means agreed with the policy recommendations of Secretary of State Hull. The committee concluded in its report on the trade agreements bill:

To meet the present world situation the first feasible step is to enable the Executive to enter upon a program of bargaining agreements with other nations. The very nature of international negotiation requires that it should be in the hands of the Executive; and to meet an international condition where foreign executives are being clothed with ever greater and greater power to effectuate speedy trade agreements, the United States, if it is to regain its lost proportion of world trade, must repose similar confidence in its President.

The proposed bill nevertheless does not remove from Congress its control of policy which must underlie every tariff adjustment. Although the exigencies of present-day conditions require that more and more of the details be left to Presidential determination, the Congress must and always will declare the policy to which the Executive gives effect.

OPERATION OF THE TRADE AGREEMENTS ACT

Since the original enactment in 1934, the administration of the reciprocal trade program has been reviewed by the Congress on six previous occasions. Except for the Trade Agreements Act of 1948, enacted when opponents of the reciprocal trade program were in control of the Congress, the legislation on each occasion has been extended in substantially its original form. The procedures under existing law are as follows:

AGENCIES REPRESENTED ON THE TRADE AGREEMENTS COMMITTEE

First. The statute vests the trade-agreements authority in the President, and he is responsible for the decisions involved in making a trade agreement. In making decisions under the Trade Agreements Act, the President is required by

law to consult the Departments of State, Commerce, Agriculture, and Defense, and the Tariff Commission. In actual practice, the President calls upon not only these departments and agencies, but also other departments represented on the Trade Agreements Committee, including the Departments of Labor, Interior, and the Treasury, and also the Economic Cooperation Administration.

INITIAL SELECTION OF ITEMS FOR POSSIBLE NEGOTIATIONS

Second. The Trade Agreements Committee analyzes our trade with a particular country and selects items which we export to that country upon which concessions might be made and articles imported into this country upon which tariff concessions might be made. The list of articles imported into the United States is submitted by the Trade Agreements Committee to the President for approval.

PUBLIC HEARINGS

Third. When the President has approved the list of imports suggested for negotiation, hearings are scheduled to obtain the views of all interested persons and groups. This may be accomplished by filing a written memorandum, although most parties also appear in person. After the hearing is concluded, the record is reviewed by a subcommittee which recommends whether a concession would be justified and if so what the extent of the concession should be. These recommendations are then reviewed by the entire Trade Agreements Committee and the recommendations of the committee, together with any dissenting views, are forwarded to the President for final decision.

A similar procedure is followed with respect to concessions on American exports which may be scheduled for negotiation.

REVIEW BY THE PRESIDENT

Fourth. The President reviews the recommendations of the Trade Agreements Committee and, in the event of disagreement, decides what course shall be followed. He then instructs the United States negotiators what concessions they may make, provided they can get from the negotiating country the concessions which are being asked.

NEGOTIATION OF A TRADE AGREEMENT

Fifth. The actual negotiation is conducted by a team consisting usually of representatives of the Department of State, the Tariff Commission, and the Department of Commerce, as well as representatives from other departments with a particular interest in the items being negotiated.

In recent years the United States has taken the lead in arranging for negotiations among several countries at the same time. At Geneva in 1947, the United States and 22 other countries negotiated tariff concessions simultaneously, and all concessions made by one country to another country were also made available to the other nations participating. These concessions are embodied in the General Agreement on Tariffs and Trade. Similar multilateral negotiations were conducted in France in

1949 and are in process in England at the present time.

THE ESCAPE CLAUSE

Sixth. In every trade agreement negotiated since 1943, an escape clause has been inserted under which a concession may be withdrawn if it is found that as a result of unforeseen circumstances and of the concession, imports are causing or threatening serious injury to a domestic industry. It is indicative of the care with which trade agreements have been negotiated that, although the United States has made concessions on several thousand items in trade agreements that contain the escape clause only 20 applications for investigations, covering 17 products, have been filed with the Tariff Commission. Of these applications, only one, involving women's fur felt hats and hat bodies, has been found by the Tariff Commission to justify action.

This is how the Trade Agreements Act was conceived and how it has been administered.

ACHIEVEMENTS OF THE RECIPROCAL TRADE PROGRAM

We now have trade agreements in effect with 45 other countries, with which, in 1949, we carried on about 75 percent of our foreign trade. These countries and ourselves together carry on about 82 percent of the total trade of the world. I believe it a fair summation of the testimony before the Committee on Ways and Means that no representative of an American industry presented any convincing evidence that it had either been seriously injured or threatened with serious injury as a result of concessions made under the Trade Agreements Act. As has been the case over the years, the opponents of the trade-agreements legislation rest their case upon the vague and thus far illusory fear that sometime in the future they might suffer some injury.

On the other hand, American industries which rely heavily on export markets have benefited materially by the adjustments made by other nations in trade agreements with this country. Those who express such great concern for the welfare of domestic industry, mining, and agriculture might well take into account that in 1949 the United States exported 39 percent of our production of wheat; 32 percent of our raw cotton; 25 percent of the leaf tobacco and turpentine; 24 percent of the lard; 17 percent of the soybean oil and 10 percent of the soybeans; 13 percent of our condensed, evaporated, and dried milk.

We exported, in 1949, 25 percent of all lubrication oil, 30 percent of our paraffin wax, and 12 percent of our anthracite coal.

Our exports of manufactured articles included 32 percent of all machine tools; 20 percent of all agricultural machinery—1948 figure; almost 10 percent of all cotton cloth and duck; about 9 percent of the broad-woven synthetic fabrics, such as rayon and nylon; and over 8 percent of all iron and steel products, including over 15 percent of the tinplate, 12 percent of heavy structural shapes, and 11 percent of the rails.

The welfare of these exporting industries and of others, with total employment of around 40,000,000, has been greatly enhanced by the concessions which have been obtained through the reciprocal trade program. In 1947 at least 2,400,000 workers were engaged in production for export alone. Moreover, the concessions granted by the United States have enhanced the ability of other countries to purchase the goods which we have to sell.

THE 1948 PERIL-POINT AMENDMENT

Despite this record of achievement, which has been generally acclaimed by organizations representing industry, agriculture, labor, and the American consumer, and which has been approved in editorials of the vast majority of the American press, the following crippling limitations upon these tried and tested procedures were imposed by the Trade Agreements Extension Act of 1948:

First. The President was prohibited from negotiating any trade agreement until he had received a report from the Tariff Commission fixing a peril-point or minimum-tariff level on each article to be considered for possible modification of duties or until 120 days had elapsed. Just what does this mean? The effect is to superimpose the judgment of the Tariff Commission over the collective judgment of the Trade Agreements Committee, consisting of all the interested departments and agencies of the Government in the negotiation of reciprocal trade agreements.

Second. The Tariff Commission could no longer be represented on the Trade Agreements Committee and would be precluded from consulting with the President in preparing for trade-agreement negotiation.

Third. In the actual negotiation of a trade agreement with tariff experts of foreign countries, the President was denied the participation and assistance of some of the best qualified personnel in our own Government—the members of the Tariff Commission and their staff.

Fourth, if the President, in the overall national interest, decided to negotiate a reduction in tariff rates below the minimum recommended by the Tariff Commission, whose only concern was the protection of American producers, he had to justify publicly his action to the Congress.

These restrictions were found by the Committee on Ways and Means and the Congress in 1949 to be both unwise and unnecessary. They are again advanced by opponents of reciprocal trade agreements, who do not dare openly to advocate complete repeal of the legislation.

CONCLUSION

It is my judgment that the expansion of international trade and the elimination of trade barriers provide a stable foundation upon which to build a sound foreign economic policy. The trade-agreements program, in my opinion, is the best method yet devised, tested by the experience of 17 years, of attaining these goals.

I understand that several amendments may be offered to improve the program.

and to perfect the techniques for negotiating trade agreements. I believe that, in addition to the substance of such amendments, it may be well to take into account their sponsorship. I suspect that they may be offered by Members who, over the years, have been among the staunchest opponents of the trade-agreements legislation. Now, like Greeks bearing gifts, they seek to aid us. Having found that they could not kill the reciprocal trade program by frontal assault, they have now embarked on a flank attack.

The record of recent multilateral negotiations bespeaks the success with which the program is being administered. These activities, in turn, help to insure the realization of the greatest possible benefit from our Marshall-plan aid. It would seem fruitless to revive the production of the factories and farms of the war-torn countries, if the most efficient use of this production is to be prevented by barriers to trade. And the maximum collective economic strength of the free nations is now essential to our military security in the days ahead.

It was my privilege to sponsor the original legislation to implement the Hull reciprocal trade program in a period of economic crisis. I am as proud of the sponsorship of that measure and of every genuine bill to extend the life of the trade-agreements program as I am of any bill that I have introduced in my 40 years in the Congress.

It is my earnest conviction that the extension of the program for another 3 years is fully as important to our national welfare as was its enactment in the first instance.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Illinois.

Mr. VURSELL. I am very much interested in the splendid talk the gentleman is making, pointing out the possible operation of the escape clause over the last number of years. I should like to inquire of the gentleman if our Government has made use of the escape clause to any considerable extent since these treaties were enacted, in which the escape clause was written.

Mr. DOUGHTON. I will be very glad to answer. It is my understanding that dozens of agreements have been negotiated and entered into making concessions on thousands of articles, and only in about 20 instances have there been even a request for consideration under the escape clause, or has there been complaint that any industry was injured or threatened with injury.

Mr. VURSELL. Mr. Chairman, if the gentleman will yield further?

Mr. DOUGHTON. I will be glad to.

Mr. VURSELL. I happen to be interested in this matter because of the Elgin Watch Co. and other people engaged in the manufacture of jeweled watches who I happen to know have done practically everything within their power in the past to get the use of the escape clause. Does the gentleman have in mind or recalls whether or not the escape clause has yet been applied for the protection of the American watch industry?

Mr. DOUGHTON. I believe there was no escape clause in the trade agreement with Switzerland until recently. It was in that agreement that the concession on jeweled-watch movements was made. I have not heard of any watch industry that has been in any distress or financial trouble with the exception of the Waltham Watch Co. They have been in trouble for some time. The Reconstruction Finance Corporation has loaned them a lot of money, I understand. However, I understand the Elgin Watch Co., in the gentleman's home State, is so successful that it has been paying extra dividends the last few years, so there will not be any occasion for it to apply under the escape clause for any relief.

Mr. VURSELL. I do not happen to know what their progress from a business and financial standpoint has been the last year or two, but I do know that a few years ago they were down here pointing out to many Members of Congress from Illinois, as well as other Congressmen, the devastating effect. They told us they were unable to get any relief whatever from these trade agreements, especially insofar as the application of the escape clause was concerned. I just give the gentleman that for what it is worth.

Mr. DOUGHTON. Does the gentleman know whether or not these complaints are based on the fear of injury, or on an injury that has resulted as an effect of these trade agreements? Before our committee the entire complaint against the program was not based on any serious damage that has been done, with the possible exception of one or two isolated industries that claimed to be adversely affected. They never mentioned the benefits that have come as a result of these trade agreements, but complained about the injuries. Even the complaint, however, usually was that they feared what might occur, rather than what had occurred.

Mr. VURSELL. I do not want to argue the question with my esteemed friend, but I should like to point out that since the last World War we have had only three or four watchmaking concerns in the United States, and from 75 to 85 percent of all the watches used in this country are watches imported mainly from Switzerland. It seems quite evident on the face of it that the watch industry has not fared too well, else there would not be but two or three major watch companies now operating in the country.

Mr. DOUGHTON. As far as I recall, there is no complaint that any watch-making company in the country has suffered at all under any circumstances, except the Waltham Watch Co. That is my understanding.

I thank the gentleman for his observation.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Connecticut.

Mr. SADLAK. It is my understanding that the Waltham Watch Co. went out of business primarily because of the fact that it had been engaged in manu-

facturing precision instruments, timepieces, and so forth, that were used in the last war. During the time they were so engaged, Swiss watches were permitted to come in to take over their trade. Now that many of our industries are turning to the manufacture of defense needs, is it possible that other watch companies might engage in similar manufacture, such as making timepieces for guided missiles, and so forth, and that, with additional watches coming in during this entire time, whether they be from Switzerland or other countries, these other watch companies might again find themselves in the very same situation the Waltham Watch Co. found itself?

Mr. DOUGHTON. That is possible. If that evil day arrives, which we hope it never will, then will be the time to make complaint and apply for relief under the escape clause that has now been inserted in the reciprocal-trade agreement with Switzerland. You cannot anticipate what will happen years and years from now, I am sure. It is hard enough to anticipate what may occur a month or 2 months from now. However, I would think that if manufacturing concerns in this country are now going to shift from making watches to making war implements and other things necessary for our national defense, then it would be fortunate for the watch consumers of this country that some foreign country can supply them with watches. We would have been out of watches, according to what you say, if that had been done.

Mr. SADLAK. When this situation, which is becoming more aggravated daily, is over, our watch companies would like again to revert to the manufacture of watches. There would be no one to whom to sell the goods, and the market would again be flooded.

Mr. DOUGHTON. Every watch company in this country which is operated on a businesslike basis is getting along well. What more could you want?

Mr. SADLAK. I am just trying to look in the future a little bit further. If these treaties continue, what will happen to the other industries, in view of the fact we are rapidly converting to defense work?

Mr. DOUGHTON. Does not the gentleman think that we should cross that bridge when we come to the stream?

Mr. SADLAK. Of course a long time is taken up in the negotiation of these treaties.

Mr. DOUGHTON. If we were to legislate in anticipation of every possible contingency which might arise, I do not know what we would have to go by.

Mr. SADLAK. Then the gentleman agrees that the proper protection for this situation would be to make sure that the escape clause is in all of these agreements?

Mr. DOUGHTON. Well, I understand that it is the present policy of our Government to get escape clauses into existing trade agreements which do not now contain them. A congressional mandate, however, requiring that an escape clause be put in all present agreements which do not contain such a clause would put

our negotiators in the position of being forced to get the clause inserted regardless of the price. The other countries' negotiators, realizing this fact, would simply raise the ante. This is not the best or most intelligent method of protecting the interests of the United States. It would certainly seriously handicap our negotiators.

I do agree, however, that the insertion of an escape clause in all trade agreements is a desirable goal.

Mr. SADLAK. The gentleman also agrees the only time the escape clause was invoked during all the time that these treaties have been in existence was in the case of the fur felt hats and the fur felt hat bodies coming from Czechoslovakia?

Mr. DOUGHTON. That is correct. In the other cases, the Tariff Commission has found no basis for recommending that the escape clause be invoked. And I know, on the basis of the hearings before our committee, that those who represent labor, those who represent agriculture, and those who represent industry, are of the opinion that the Reciprocal Trade Agreement policy has been a success and they recommend that it be extended. That is about all that I can tell the gentleman. Of course it is entirely possible that in some isolated case, in some industry, a plant might be adversely affected. But on the other side of the scales the benefits far outweigh any damage or hardship or injustice which might occur to some small isolated industry. Consider our exports of agricultural products of tobacco and cotton and wheat and exports of industrial products such as automobiles and tools and a thousand and one other things. If we do not buy something, how are we going to have an export market for the products which we have in excess? Of course, if you could sell everything and buy nothing, that would be fine; but that does not work. We tried that under the Smoot-Hawley Tariff Act and we tried it under the Fordney-McCumber Tariff Act, and it did not work. Now the reciprocal trade policy has been tried, and it has been found to be the most successful policy yet. I do not claim that it is perfect. Nobody claims it is perfect. We have not yet attained a state of perfection in legislation in any field, so far as I know. But as far as it has been tested, the Trade Agreements Act is the most successful and satisfactory and practical method that has ever been devised for dealing with tariff matters.

Mr. SCUDDER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. SCUDDER. Did I understand the gentleman to say that the agricultural leaders were in favor of the Reciprocal Trade Agreements Act as administered?

Mr. DOUGHTON. Absolutely.

Mr. SCUDDER. Mr. Goss, master of the National Grange, was against it.

Mr. DOUGHTON. I know; but the American Farm Bureau Federation is for it. The National Farmers Union is for it. Of course there are a few dissenting votes here and there, but the large pre-

ponderance of those who express the view of agriculture or represent agriculture favor the continuance of this policy.

Mr. SCUDDER. Mr. Wiser, president of the Farm Bureau of California, is very much against the program as it is now administered.

Mr. DOUGHTON. Yes, but he is in the minority.

Mr. SCUDDER. No, he is the president of the Farm Bureau of California and he speaks for the entire organization.

Mr. DOUGHTON. He may be, but he is in the minority so far as agriculture is concerned.

Mr. SCUDDER. No, I would not say so. I think the Farm Bureau represents agriculture.

Mr. DOUGHTON. The gentleman did not hear the testimony as we did, or he would think otherwise.

Mr. SCUDDER. I have lived in agricultural areas all my life. I believe I can appreciate whom they represent, because the Farm Bureau does represent the producing agriculturalists of the country and they are very definitely against the program as it is presently administered. There should be a sound administration of the program.

Last week I had a report from my district where they have lowered the tariff and they are bringing into this country almonds. That is a sizable industry in my district. So far, out of this crop they have brought in 7,200,000 pounds of processed almonds, and it is feared that if this is not curtailed the imports will reach eighteen to twenty million pounds. If they would reduce that to 500,000 pounds it would about equal the amount of consumption together with the almonds produced in this country. It is anticipated that they will bring in from Spain between eighteen and twenty million pounds of processed almonds this year, which will ruin the entire industry in California.

Mr. DOUGHTON. But it has not been done yet.

Mr. SCUDDER. Well, it will be.

Mr. DOUGHTON. That is what they all say. They all talk about what might happen. When that time comes, they can invoke the escape clause.

Mr. SCUDDER. Last year it broke the olive business in California.

Mr. DOUGHTON. Well, they are not all the people in the United States.

Mr. SCUDDER. But they are an appreciable amount.

Mr. DOUGHTON. Of course, they are. The consumers of this country are also entitled to some consideration. You do not hear a voice raised by those who oppose the reciprocal trade policy in the interest of the consumer.

Mr. SCUDDER. I had an agricultural group listen to me last year when they were investigating these things because of the effect on labor.

Mr. DOUGHTON. The gentleman is entitled to his views, but he is in the minority. He is so far in the minority as to be lonesome.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield myself 10 additional minutes.

Mr. HERLONG. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. HERLONG. In connection with what the gentleman from California [Mr. SCUDDER] said, I think the record will show that I opposed this legislation at the last session. We, in Florida, have a peculiar problem that is very much the same as that of the gentleman from California, but I have taken the time to call my people down there who are interested in this and explain to them the over-all values of the program, in view of the present international situation. They have told me within the last hour that as good Americans they would not oppose this legislation and would not ask me to oppose it, because of the value to the entire country at this time. I just wanted you to know how they felt.

Mr. DOUGHTON. I thank the gentleman for his contribution.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I will yield to my friend, but I know his attitude beforehand, that if he had his way he would kill this program, that he would wipe it out overnight if he had his way.

I yield to the gentleman.

Mr. SIMPSON of Pennsylvania. My chairman, as always, is direct, as he always is when we deal across the table.

I was pleased a bit ago, though, to hear him imply that there might be some small industries which are hurt, but that because they were small it would not be critical to the Nation's welfare. Is that correct?

Mr. DOUGHTON. I did not hear all of the gentleman's statement.

Mr. SIMPSON of Pennsylvania. I understood the gentleman to say that it might result in some small industries being damaged, but that the over-all good to the Nation is the controlling factor, and that justifies injuries to some small businesses. Is that right?

Mr. DOUGHTON. I will answer the gentleman's question by asking him one: The gentleman will recall that we had extensive hearings, giving an opportunity to be heard to those opposed to the bill and to those who favored the extension of the act; was not the overwhelming testimony to the effect—I do not mean of the hired mourners and paid lobbyists, but I mean of those who directly represented industry, agriculture, and labor—that labor, agriculture, and industry favored the extension of this reciprocal trade policy? If not, why has it stood up for over 16 years? It should be remembered that every 2 years we have had the opportunity of changing it, or doing away with it, yet it has stood the test of time. Notwithstanding that the gentleman from Pennsylvania wants to emasculate it. Unable to kill it outright, he wants to cripple it by flank attack by offering crippling amendments. I know the gentleman's attitude.

Mr. SIMPSON of Pennsylvania. The gentleman has referred to the great watchmaking industry, the timepiece making industry. He seemed to agree

that that industry may have been damaged somewhat. I say that the watch-making industry has been damaged—25 percent of the industry has been eliminated. The great Waltham Watch Co. had to fold up and close up, one of four great companies, had to close up as the result of the reciprocal-trade program. The gentleman justifies that by saying that the over-all economy of the country is helped even though that one industry may be damaged. That is his position. He also believes that other industry, as I understand—the pottery business—it employs only a few people, relatively speaking, and perhaps the general economy can stand the loss of that industry and the country keep going ahead. But with respect to watches and timepieces, in this hour of war when that industry is needed badly, when it is vital to the conduct of the war, we have to go to Switzerland in order to get the instruments we need with which to carry on the war. That is not right. That is why this policy is hurting our economy today.

Mr. DOUGHTON. I will ask the gentleman one question: Whether or not he favors, and if so, when he was converted to the reciprocal trade policy dealing with tariff problems? Whether or not he will agree that it has demonstrated itself to be the most effective, most desirable, and most satisfactory method of dealing with our foreign trade? Will the gentleman answer that "Yes" or "No"?

Mr. SIMPSON of Pennsylvania. I answer "No." I think the boys in the State Department are trading away the economy of our country by bringing in goods from abroad. The gentleman states that American labor is for this bill. The American Flint Glass Workers Union is opposed to it, the Atlantic Fishermen's Union, the Seafarers International Union, the International Brotherhood of Bookbinders and dozens of others right here in the testimony are opposed to it.

Mr. DOUGHTON. If this is an unsound policy why did not the Republicans repeal it in the Eightieth Congress?

Mr. SIMPSON of Pennsylvania. I am willing to do it right now.

Mr. DOUGHTON. The gentleman knows public sentiment would have condemned your action if you had.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DOUGHTON. Under leave already granted to extend my remarks, I insert in the RECORD the following statements, letters, and editorials:

STATEMENT BY THE HONORABLE DEAN ACHESON, SECRETARY OF STATE, BEFORE THE HOUSE WAYS AND MEANS COMMITTEE, MONDAY, JANUARY 22, 1951, IN SUPPORT OF RENEWAL OF THE TRADE AGREEMENTS ACT

Mr. Chairman, I am appearing today in support of H. R. 1612, a bill to extend the Trade Agreements Act for a further period of 3 years. Statements in support of the bill are also being sent to the committee by the Secretaries of Agriculture, Commerce, Defense, Interior, Labor, Treasury, and the Administrator of the Economic Cooperation Administration.

PRESENT SERIOUS SITUATION

I want, first, to place the trade-agreements program in the context of our total foreign policy. The President, in his State of the Union and budget messages, has described the challenge of our times and what we as a people and as a Government must do to meet it. He has explained that this challenge is not only the threat of military aggression. It is also the threat of subversion, of stirring up class strife, of exploiting discontent, of preventing economic improvement. He has pointed out that we must be prepared to meet this threat in both of its aspects.

To do this we must do everything possible to build up the strength of the free world and to give its people a real stake in its future.

There is great need in the world today for expansion of production so that the peoples in the less-developed areas may look forward to better living conditions and have a democratic alternative to the promises of the Kremlin. We will need to continue economic assistance for this purpose.

In other areas where postwar recovery is nearly complete, some countries will need further economic assistance to mount the necessary effort for our common defense.

Another integral part of the process of building strength in the free world has been the effort to expand the flow of trade. Only by a greater exchange of goods between countries can the full benefits of economic development and greater production be maintained.

The trade-agreements program has been a major element in our participation in this process of expanding world trade.

ECONOMIC PROGRESS SINCE THE WAR

In facing the crucial peril of today, we can be thankful that so much has been accomplished since 1945 in rebuilding the economic strength of many areas of the world.

Our own country has higher levels of employment and production than ever before. With the aid of the European recovery program, the countries of Western Europe have made remarkable progress in the restoration of their production and in building up their economic strength. Production in Latin America and in other areas of the world has substantially increased. Considerable progress has been made toward a restoration in balance in the international balance of payments of many countries.

Through the economic-development programs of various governments, the point 4 program and the technical-assistance programs of the United Nations, a concerted effort has been begun to help improve economic conditions in the underdeveloped areas of the world. The more developed countries have started to share with the people in those areas some of the skills and some of the knowledge which will help them to improve their present unsatisfactory standards of living; which will give them a real stake in the future.

Important steps have been taken for the expansion of world trade. Tariffs have been reduced over a wider area of world trade than ever before. Agreement has been reached limiting the use of various forms of trade restrictions. A wide area of trade in Europe has been entirely freed from quotas. Some important restrictions in the Western Hemisphere have been lifted completely.

Each of these activities has contributed in its own way to building greater strength and greater unity in the free world. Each has produced both immediate improvements and promise for the future. Each has been carried on by many countries working together. None could have achieved comparable results if the various countries had been working separately and alone.

NEED TO MAINTAIN GAINS

It is essential that these gains should be preserved. Wherever possible, they should be carried forward. In mobilizing to defend ourselves, we must not neglect or lose sight of the positive things that we are fighting for.

It is obvious that for some time to come large areas of world trade will be under some kind of control. Some of these controls, for example, will be imposed for security reasons. Others will be imposed to assure an equitable distribution of scarce materials. Yet there will still be a substantial volume of trade moving in regular commercial channels. But we do not want those controls to go beyond what is really necessary. We do not want any unnecessary obstacles to interfere with the flow of needed goods. It is essential to our security and well-being that the objective of expanding trade be kept constantly before us and that the instruments for such expansion be kept available and used wherever and whenever possible.

The Trade Agreements Act is such an instrument. The act has enabled the United States to participate for many years in the practical work of world-wide tariff reduction. It has done more than that. It has become a symbol of United States determination to lead in the cooperative effort to expand world trade.

Renewal of the act will reaffirm that determination. Failure to renew the act would be a symbol of withdrawal from that cooperative effort.

OPERATIONS UNDER THE ACT

The Government agencies which have been administering the act over the past 16 years have rendered an account of their stewardship from time to time in the hearings which have been held before this committee on the occasion of the successive renewals of the act. I would like, however, to summarize briefly the scope of what has been done under the authority of the act and to refresh the committee's recollection again as to the manner in which the act has been administered.

The results of the operation of the trade agreements program to date are set forth authoritatively and in detail in the reports of the Tariff Commission to the Congress. The most recent of these reports covers the period April 1949 to June 1950 and has, I believe, recently been made available to this committee.

During the course of the years in which the Trade Agreements Act has been in effect, we have negotiated trade agreements with 45 countries, with which in 1949 we carried on about 75 percent of our foreign trade. These countries and ourselves together carry on 82 percent of the total trade of the world.

In these negotiations the administration has kept continuously in mind the needs of producers and workers in both American industry and American agriculture. The concessions we have granted have applied almost equally to agricultural products and nonagricultural products. On the other side of the ledger slightly more concessions have been obtained for agricultural products in other countries than for nonagricultural products.

The earlier agreements negotiated under the act were agreements simply between ourselves and one other country. There are now 14 of these bilateral agreements.

Under the 1945 renewal, however, a new approach was used, which was designed to increase the benefits to be obtained under the program and to widen the area of world trade covered by reductions of tariffs and tariff preferences.

This approach was to invite a number of countries to negotiate with us simultaneously and at the same time to negotiate with

each other. The effect was to extend the area of reductions of tariffs and preferences to the trade between the other countries themselves, and thus greatly to increase the potential effect of the negotiations upon the level of world trade. Moreover, the United States becomes entitled to the benefits of the tariff concessions and preference reductions made by the other countries to each other, as well as those negotiated directly with us.

The result of these multilateral negotiations is embodied in the General Agreement on Tariffs and Trade. This technique has proved so successful that 32 countries are now parties to that agreement and 7 more are now negotiating to accede to it at Torquay. The products included in the tariff schedules of the general agreement account for somewhat over half the entire trade of the world.

A further reason why the multilateral approach was felt to be more effective in helping to expand trade was that it would mean a far wider application of the general provisions of trade agreements.

These general provisions, as the committee will recall, obligate the parties to the agreement to do such things as give each other most-favored-nation treatment, not to put disguised tariffs on imports in the form of discriminatory internal taxes, to minimize the restrictive effect of customs regulations, to limit the use of quotas, not to increase preferences, permit them to take action necessary for their national security, and so forth. With the large number of countries now parties to the general agreement, these provisions constitute an important body of international commercial policy rules, and have provided a basis for the settlement of a variety of trade disputes.

The periodic meetings of the parties to the general agreement have provided a convenient opportunity for each country to put into actual practice the vital principle of consulting with other countries before taking action which might adversely affect their trade. The atmosphere around the table has been one of mutual understanding, cooperation, and respect. We hope to be able to find ways of strengthening the general agreement and making its operation even more effective.

Thus these trade-agreement negotiations have brought about a substantial reduction of tariffs and of tariff preferences on a very wide area of the world's trade.

It is particularly notable that during the period of this activity the people of the United States have achieved the highest levels of prosperity and real personal income that this country has ever known. This great expansion of employment and consumption is one of the significant factors which enables our economy to make its maximum contribution to the expansion of world trade.

The standards of wages and working conditions of the wage and salary earners of the United States, as well as the standards maintained by our farmers, during this period have been the highest in history. These standards will continue to improve over time. What has been truly remarkable about this improvement has been the generality with which standards have risen—the way in which workers and farmers in all segments of industry have benefited. This phenomenon should put to rest for once and for all the old fear that a lowering of tariff barriers would depress labor standards in the United States. Despite substantial differences in money wages paid to workers in our farms and factories and those paid abroad, the superior efficiency of our industry and agriculture has offset the apparent wage disadvantage. So much so, in fact, that it is United States competition that is feared in many areas of the world, rather than the competition of countries where wages are low and efficiency is equally low.

There are some special cases in which disparities in wages might create some degree of competitive problem, even for United States industry. This is particularly the case in industries where there has been relatively little mechanization and where labor cost is still a very large proportion of total cost. The record of action under the Reciprocal Trade Agreements Act demonstrates clearly that we have been fully aware of this situation, and that we have carefully acted with respect to situations of this kind in a manner that would avoid serious injury to the industry and the workers involved.

The trade agreements job has been very carefully done.

In the first place, all of these negotiations, whether bilateral or multilateral, have been conducted on a product-by-product basis. This has enabled us and the other countries to take into account the needs and problems of particular industries on the basis of the facts of each case. No country has been obligated to give concessions on any particular product. No country has been expected to give concessions unless it got satisfactory concessions in return. And every agreement negotiated since 1943, including the general agreement, has included a general escape clause. This clause permits the withdrawal or modification of a concession if, as a result of unforeseen circumstances, imports increase in such a manner as to cause or threaten serious injury to domestic producers.

The procedures followed within the United States Government are carefully designed to permit maximum scope for negotiation and at the same time to guard against injury to domestic interests.

Responsibility for decisions under the act rests upon the President.

Because of the wide variety of interests which are necessarily involved in the tariff problem, the President has entrusted it to a committee composed of representatives from a number of agencies, each of which is directly concerned with important aspects of the problem. These agencies are: the Departments of Agriculture, Commerce, Defense, Interior, Labor, State, and Treasury, the Economic Cooperation Administration, and the Tariff Commission. This committee is known as the Trade Agreements Committee. It is chaired by a representative of the Department of State.

This Committee makes its recommendations directly to the President.

The members of the Trade Agreements Committee attend the conferences at which tariff negotiations are held, such as the conferences at Geneva and Torquay. The negotiating teams, which handle the actual details of the day-to-day negotiations, also include members from several agencies.

During my years of Government service I have been in reasonably close contact with trade agreements work. I think it can fairly be said that the operation of the trade agreements organization over the years has been one of the most effective examples of inter-agency collaboration developed within the Government.

I have brought with me two statements which describe exactly how a trade agreement is made and the safeguards with which the administration of the act is surrounded. I would like to submit these for the record.

There is one point, however, that I would like to stress. The Congress has wisely required that public notice shall be given before the President concludes any trade agreement, so that anyone interested may be able to present his views and have them considered. Particular efforts have been made to get the largest possible amount of information from the public about products that may be involved in any negotiation. Every product that may possibly be considered for a tariff concession is described

in the notice of a prospective negotiation. Written briefs are solicited. Public hearings are held at which people interested can appear to supplement their briefs and answer questions. The information thus obtained is analyzed by the experts of the various Departments and forms an integral part of the basis for the recommendations of the Trade Agreements Committee to the President. Thus every possible effort is made to ensure that those recommendations are based on full and up-to-date knowledge of the facts.

It is indicative of the care with which the program has been administered by the inter-departmental trade agreements organization, that out of all the hundreds, even thousands, of individual United States tariff items which have been reduced or bound in these agreements during the life of the escape clause, there have been only 20 applications for its use. Six of these applications are still pending before the Tariff Commission. Of the 14 that have been dealt with only 1 has been found by the Tariff Commission to justify action. In that case action was promptly taken and the concession in question was withdrawn.

The Trade Agreements Act has become a fundamental part of our foreign policy. Each renewal by the Congress has been a welcome indication to the rest of the world of the desire of the United States to play a leading part in the constructive work of expanding world trade. It is important now, as it has been in the past, that this policy be reaffirmed.

NO LARGE-SCALE NEGOTIATIONS IN PROSPECT

The next 3 years will necessarily be a period of consolidation and adjustment in the trade field rather than of major progress forward.

When the conference now going on at Torquay is over, participating countries will want to have a period of time in which to test and observe the operation of the tariff rates there agreed upon. Moreover, it is obvious that the great uncertainties of the world situation are likely to persist for some time. It is therefore not expected that there will be another Torquay within the life of the extension provided for in H. R. 1612.

Adjustments in existing agreements will, however, undoubtedly be desirable from time to time. It is possible that it may be desirable to negotiate with one or two countries not represented at Torquay, either for their accession to the general agreement or bilaterally. It is possible that some negotiations may develop in connection with efforts to promote greater integration in Europe which will involve some products in which we are interested and in which it would be to our advantage to participate on a limited scale.

Consequently, an extension of the President's authority is essential. The administration does not, however, believe that any change is needed in the limitation now included in the Trade Agreements Act on the permissible range of reduction in rates of duty. It, therefore, fully endorses H. R. 1612, introduced by the Chairman.

In conclusion, I would like to return for a moment to the central idea which I expressed at the beginning. Our primary objective is to build strength and unity in the free world. Our whole program must create immediate military strength and the economic base on which military strength depends. It must create incentives to work to achieve and maintain that strength.

Continued participation by the United States in the cooperative effort to improve the conditions of world trade will be recognized both at home and abroad as one clear indication that behind the shield of military power which we and our allies are creating, the techniques of growth and expansion are

being maintained intact. Continuation of the trade-agreements program is one way in which we can assure the peoples of the free world that economic expansion and rising living standards for all countries is still the goal of the United States.

THE SECRETARY OF DEFENSE,
Washington, January 22, 1951.

HON. ROBERT L. DOUGHTON,
Chairman, House Ways and Means Committee, House of Representatives.

DEAR MR. DOUGHTON: I understand that hearings on renewal for 3 years of the Trade Agreements Act are soon to be held by the Ways and Means Committee. I wish to lend my full support to the renewal of this legislation as being in the best interests of the country and in accordance with the program of the President.

Faithfully yours,

G. C. MARSHALL.

THE SECRETARY OF THE TREASURY,
Washington, January 22, 1951.

HON. ROBERT L. DOUGHTON,
Chairman, Committee on Ways and Means, House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: The Committee on Ways and Means has before it for consideration H. R. 1612, to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes. The effect of this bill would be to continue the reciprocal trade agreements program, which has been in effect since 1934, for an additional period of 3 years beyond the present expiration date of June 12, 1951.

In order to conserve the time of the committee, I understand the Secretary of State will make the sole personal presentation for the administration in behalf of the bill. I wish by this letter simply to add my word of endorsement.

Apart from my direct interest in this legislation stemming from the participation of the Treasury Department in the administration of the trade-agreements program, I am interested in it also because of my responsibility as chairman of the National Advisory Council on International Monetary and Financial Problems, the interdepartmental body which has responsibility for coordinating the policies and operations of this Government in the foreign financial, exchange, and monetary fields. Since the termination of hostilities in 1945 this Government has undertaken an unprecedented series of measures involving international cooperation with and assistance to friendly foreign countries in an effort to reestablish stable international economic relationships. An important part of this program involved an effort to promote expanding international trade as a contribution toward rising living standards both in our own country and in foreign countries. The policy of reciprocal reductions in trade barriers instituted in 1934 under the wise leadership of Cordell Hull played a useful part in carrying out these policies. A substantial measure of success has attended our efforts to achieve a sounder structure of international economic relationships, and it is important that we hold the gains we have achieved through the new difficult period in which we now find ourselves. For this purpose, it is considered essential to preserve the executive trade agreement authority, and I therefore urge your committee to give favorable consideration to H. R. 1612.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

JOHN W. SNYDER,
Secretary of the Treasury.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., January 19, 1951.

HON. ROBERT L. DOUGHTON,
Chairman, Committee on Ways and Means, House of Representatives.

DEAR MR. DOUGHTON: With reference to the hearings to be held by your committee on H. R. 1612, a bill to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, I wish to inform you that this Department favors passage of this bill.

The trade agreements program has wide support among American farmers because they realize that they have an important stake in foreign markets. Many United States agricultural products are exported in large amounts. In the last fiscal year, such exports included 37 percent of our cotton, 26 percent of our wheat, 27 percent of our tobacco, 39 percent of our rice, and nearly 35 percent of our dried fruits.

The prospects for maintaining foreign markets of our agricultural products will depend largely on whether or not we succeed in securing comparative freedom for international trade. Failure to do so will cause these markets to become more and more curtailed by the self-sufficiency policies of importing countries designed to protect high-cost production.

The reciprocal trade agreements program has made an important contribution to arresting, in important instances, the worldwide trend toward protection. The United States has, under this program, received tariff concessions from foreign countries on agricultural as well as other products. The importance of these concessions to American farmers will grow with the restoration of more normal conditions in the international economy.

To obtain these concessions, we had, of course, to make concessions on our part. As regards the latter, I would like to note that they were about evenly distributed between agricultural and nonagricultural imports. As the Tariff Commission has recently reported to Congress, import duties were reduced on 44 percent of total agricultural imports as compared with 47 percent of total nonagricultural imports. The duty reductions made average 50 percent for the agricultural and 53 percent for nonagricultural products on which duties have been reduced.

Reduction of duties and other trade barriers is, of course, the primary objective of the Trade Agreements Act and of the agreements negotiated under this act. But, as your committee certainly is aware of, the act and the agreements negotiated under it, such as the general agreement on tariffs and trade, also contain machinery for correcting inequities in the existing structure of tariffs and trade controls.

I would also like to refer to our struggle with the dollar gap in our foreign trade. For several years we were faced with the threat that, when United States foreign assistance comes to an end, this gap might be closed by a sharp curtailment—in United States exports—a curtailment which would threaten to cause depression in important sectors of American agriculture and industry. With the help of the trade agreements program, we have succeeded in expanding our imports and thus in supplying foreign countries with a current source of dollars which they can use to buy the products of American farms and factories they want.

The American people also have come to realize that we must import many products to supplement our domestic resources. This dependence on foreign products has become particularly evident in the present defense effort, but it is also an important consideration under peacetime conditions if we wish to maintain and improve our living standards. There are also other broad benefits derived from the trade agreements program in which

American farmers have an interest. By facilitating the exchange of products which we produce most advantageously for products that other countries produce most advantageously, the trade agreements program helps to link the freedom-loving nations more closely. This is of particular significance in the present critical world situation in which the Communist aggressors are using every means, economic as well as political, to split the free world.

It is also clear that the foreign assistance that we are giving under various programs will bring lasting benefits to us as well as to the recipient countries only if the opportunities for trade among the peace-loving nations are being maintained and enlarged. Continuation of our trade agreements program will give those countries assurance that we will play our part in assuring such opportunities.

Sincerely yours,

C. J. MCCORMICK,
Acting Secretary.

THE SECRETARY OF COMMERCE,
Washington, D. C., January 18, 1951.

HON. ROBERT L. DOUGHTON,
Chairman, Committee on Ways and Means, House of Representatives,
Washington, D. C.

DEAR MR. DOUGHTON: I am writing you in connection with the consideration by your committee of H. R. 1612, the bill to extend the authority to conclude reciprocal trade agreements.

The purpose of this legislation and the policies and procedures that have been followed in its administration are well known to your committee and consequently need not be discussed in detail. The disturbed conditions of international life make it unlikely that great use can be made of this authority over the next few years. It is, nevertheless, important that the legislation be kept alive as a symbol of the desire of the United States to cooperate with the rest of the free world in the progressive relaxation of tariff and trade barriers.

The procedures which have been worked out for the administration of the act are well designed to protect producers in this country from irreparable injury. At the same time benefits have been received by those industries which are dependent upon foreign sources of supply. Similarly, the concessions received from other countries have been significant for the large number of our producers who are partially dependent upon foreign markets.

Accordingly, I should like to urge favorable consideration by your committee of the proposed legislation.

Sincerely yours,

CHARLES SAWYER,
Secretary of Commerce.

ECONOMIC COOPERATION ADMINISTRATION,
Washington, D. C., January 23, 1951.

HON. ROBERT L. DOUGHTON,
Chairman, Committee on Ways and Means, House of Representatives,
Washington, D. C.

DEAR MR. DOUGHTON: This letter is to express the strong support of the Economic Cooperation Administration for H. R. 1612, the bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

We firmly believe that the reciprocal reductions in tariffs and other trade barriers negotiated under the authority of the Trade Agreements Act have been highly beneficial to the United States both in general and in terms of the specific objectives of the Economic Cooperation Act of 1948 with which this Administration is primarily concerned. We regard extension of this trade agreements

authority as most important to continued progress toward these objectives.

In the introductory section of the Economic Cooperation Act, 1948, the Congress recognized the vital importance of "the expansion of foreign trade," and "the progressive elimination of trade barriers," Congress declared it to be one of the three main purposes of the Marshall plan to aid European countries in "facilitating and stimulating the growth of international trade . . . with one another and with other countries by appropriate measures including reduction of barriers which may hamper such trade."

Our experience in ECA has testified to the wisdom of this congressional emphasis on reduction of barriers to international trade in the basic provision for the European recovery program. Apart from the obvious physical destruction and disruption directly caused by the war, the two main problems we found in Western Europe were economic stagnation and the dollar gap. The high level of tariff and other barriers to international trade which had been built up in Europe, in the United States, and elsewhere in the world was a major contributing cause to both of these problems.

By the same token, efforts to reduce these barriers have proved to be a major factor in curing these conditions. By removing some of the shelter which national trade barriers provided to inefficient industries in Europe and exposing them to the invigorating effects of international competition from other European countries and, to some extent, from the United States, we have made a start on getting rid of some of the economic stagnation. European trade liberalization has been one of the major planks in ECA's program for promoting economic integration in Western Europe. As for the dollar gap, it has been clear from the beginning that there were only three ways of solving it: To cut down the level of European imports from the United States below what would be tolerable either for the peoples of Western Europe or for United States agriculture and industry; to raise the level of European dollar earnings by increasing their sales of goods and services to the United States and other parts of the dollar area; or to ask American taxpayers to continue to pay for the deficit for the indefinite future. It has seemed obvious to ECA that the second of these alternatives was by far the most desirable for everyone concerned. We have, therefore devoted considerable attention to stimulating European efforts to sell increased quantities of goods in the United States. Until recently ECA's program in this field was concentrated on encouraging increased European exports of luxury type goods which would enrich American life without competing directly with established American industries. More recently in view of the changed world circumstances, we have been concentrating on efforts to secure from Europe commodities which are in short supply in the United States both for civilian and military purposes.

The program of multilateral negotiations of reductions in tariff and other trade barriers made possible by the Trade Agreements Act has made a highly valuable contribution to the work of ECA both in attempting to secure a liberalization of trade within Europe and to close the dollar gap. This contribution has been made both at the practical and psychological levels. The actual reductions in United States tariffs which have taken place under the authority of this act have acted directly to permit increased imports of desirable European products. The specific tariff reductions negotiated by the United States with each ERP country have been generalized to the others and have thereby directly helped to liberalize trade within Europe. Perhaps even more im-

portant has been the psychological effect of the fact that the United States Government was in a position not only to preach reduction of trade barriers but to practice it. This has helped greatly in creating an atmosphere of liberalization rather than economic nationalism in Europe. On the dollar earning program we have found that many European businessmen are most reluctant to expose themselves to the vigorous free competition of the American market, in spite of the urgent need of their countries to earn more dollars. Searching for an excuse for their reluctance, they have often pointed to the high tariff barriers of the United States. Because of the existence of the Reciprocal Trade Act, we have been able to answer this contention by pointing to progressive reductions in the United States trade barriers and to the possibilities of further reductions on a reciprocal basis. We do not think that we could have made nearly as much progress either in European trade liberalization or in developing European interest in increased dollar earnings if we had not had the indirect support of the Trade Agreements Act.

The reasons why trade agreements legislation has been valuable to ECA's program in the past will continue to operate with great force in the period ahead. The need for vigorous economies, liberalized trade, and maximum dollar earnings will be greater than ever if the European countries are to carry the double burden of continued economic recovery and full-speed rearmament. Opportunities for great further strides in European integration may well occur. At the same time the pressures on the European governments and businessmen will be such that they will be strongly inclined to return to manifold governmental controls and protectionism in their own markets and to lose interest in the dollar market. There is great danger that the important achievements which have been made in the fields of trade liberalization and dollar earnings will be lost. Thus the situation could move either toward or away from the desirable short- and long-term goals of European trade liberalization and self-support. Which way it turns will be influenced to an important degree by the ability or inability of the United States to speak forcefully for and participate practically in further liberalization efforts. This ability in turn will be determined by whether or not the Trade Agreements Act is extended.

The bill under discussion provides for no increased authority for reductions in United States tariffs but simply permits further negotiations within the authority already granted. Limited further use of this existing authority can be a great asset in achieving significant progress toward American objectives in Western Europe.

The Bureau of the Budget has advised us that it has no objection to the transmission of this letter since the proposed extension of the Trade Agreements Act is part of the President's legislative program.

Sincerely yours,

WILLIAM C. FOSTER,
Administrator.

ANDERSON, CLAYTON & Co.,
Houston, Tex., January 18, 1951.

HON. ROBERT L. DOUGHTON,
Chairman, Ways and Means Committee,
House Office Building,
Washington, D. C.

MY DEAR MR. CHAIRMAN: Due to illness in my family I deeply regret that I am unable personally to appear before your committee to urge renewal of the reciprocal trade agreements program.

I believe I have appeared as a witness in support of this program each time the act has come up for renewal.

In the tragic situation now confronting our country and the rest of the free world,

the reasons for continuing this program are much stronger than they have ever been in the past.

Communist Russia has divided the world into two parts—the Communist world and the free world.

The peace-loving free world, enormously superior in wealth and industry to the Communist world, but just now disunited and militarily weak, stands before an aggressive, united, and powerful enemy sworn to destroy it—an enemy without conscience, without religion, without decency, without mercy.

Under the leadership of the United States, the free world has united its military strength in the North Atlantic Treaty. General Eisenhower, as Supreme Commander of the military forces of the 12 countries composing the North Atlantic Pact, is now in Europe for the purpose of organizing and leading the armies for defense which these 12 nations will provide.

But military unity alone is not sufficient to create the necessary conditions for the preservation of world peace and freedom.

It would be a great mistake to think that communism is the only obstacle to a continuation of conditions of peace and prosperity in the free world.

Communism is but an outward manifestation of the world revolution now in progress—a revolution of the have-nots—not so much against the haves as against their own lot in life.

When the Premier of Pakistan was here a few months ago, he said that when he thought of the United States, he saw a fabulously prosperous island; but still an island, surrounded by a sea of poverty, of cold and of hunger; and it frightened him.

There are just too many hundreds of millions of people who go to bed hungry and cold every night.

Someone will probably say, "But that has always been true." Yes, of course, but the modern world as we know it today has not always been here.

The first job of the free world is to make itself so strong that the aggressor dare not strike.

To do this the free world has united militarily.

The second job to which the free world must bend its efforts is the raising of the standard of living of hundreds of millions of people in the world.

The United States has also taken leadership in this field.

It is unnecessary to refer in detail to the various steps which have been taken under our leadership to improve economic conditions in the world—conditions in such deplorable state because of two world wars in one generation.

One of the most important of these steps, but the one perhaps least understood, is the reduction, through trade agreements with friendly nations, of the barriers to the movement of goods throughout the world. Much constructive work has already been done here but much remains to be done.

The standard of living of any people is measured by the quantity of useful goods available to them.

Economists agree that substantial reduction of barriers to the movement of goods between countries would greatly enlarge markets, would rationalize production on the basis of comparative advantage, would necessitate a great increase in the production of raw materials, and would enormously augment the volume of useful goods made available to the world's population.

The development of our own country proves this. This development and the consequent very high standard of living here is largely due to the freedom with which goods move across State boundaries.

This matter has unusual importance at the present time due to the fact that our preparedness program demands that we acquire great quantities of metals and other materials from all parts of the world, not only for the enormous increase in production which our program requires but also for stockpiling for future needs.

Not only should these imports be freed of the excessive tariffs which many of these materials now carry but in order to pay for these materials we must be in position to export freely of the products which the United States is in position to produce most effectively. It is, therefore, necessary that trade agreements be made with friendly countries for the mutual reduction of tariffs—our tariffs on the goods we need to import for civilian and defense needs, and their tariffs on the goods we need to export to pay for such imports.

For 15 years or more we have listened to predictions of dire results to flow from any reduction of our protective tariff. Interested parties have thought they foresaw certain ruin from any such action.

No such consequences have resulted from trade agreements already made. No such consequences can be expected to result from future trade agreements.

The care and study given by interested agencies of our Government before action is taken is a guaranty of this.

But, in any case, we face a world situation which makes imperative actions to serve the common good as opposed to individual or special interests.

The preparations which we and our allies are making to restore to the free world the power to preserve its freedom will fall with a heavy hand on some segments of the economy. For example, producers and distributors of luxuries will in many cases undoubtedly suffer great injury and possibly ruin.

In the crisis which we face we must act for the greatest good to the greatest number.

It will avail us little to restore the power of the free world to preserve its freedom if we fail to reorganize international economic relationships, in such way that production and distribution will provide the people with more to eat, more to wear, and better homes in which to live.

To this end I strongly urge the renewal of the reciprocal trade agreements program without crippling amendment. Such a course is unquestionably dictated by our national interest.

Respectfully submitted,

W. L. CLAYTON.

STATEMENT OF MORRIS S. ROSENTHAL FOR THE CHAMBER OF COMMERCE OF THE UNITED STATES TO HOUSE WAYS AND MEANS COMMITTEE ON H. R. 1612, JANUARY 24, 1951

My name is Morris S. Rosenthal. I am president of Stein, Hall & Co., Inc., New York City.

I appear before you today as a representative of the Chamber of Commerce of the United States to urge strongly approval of H. R. 1612, which would provide for renewal of the Trade Agreements Act. I am a member of the foreign commerce department committee and of the policy committee of the chamber.

I attach a brief description of the Chamber of Commerce.

The chamber in 1913 advocated, by referendum vote, the establishment of a permanent Tariff Commission, and in 1921 supported the principle of adjustment of tariff rates by administrative authority, within the limits set by Congress.

Our support of the Trade Agreements Act has been continuous and emphatic since 1933. On May 5, 1933, the national chamber adopted a policy favoring action by our Government in initiating reciprocal trade agreements with foreign countries, where such bargaining would be clearly in the

public interest, keeping in mind the policy for assuring stability in internal industry and agriculture through reasonable protection. This statement was reaffirmed by the chamber membership in 1934.

The chamber, at the last annual meeting of its membership in May of 1950, renewed its support of the Trade Agreements Act. The members adopted this statement of policy:

"The policy of the Trade Agreements Act should be continued. This policy gives adequate authority for the Government, through its established agencies of negotiation and administration, to reach effective agreements for the reciprocal and selective adjustment of tariffs and other barriers to trade, including quota restrictions and other obstacles to the reasonable flow of goods and services.

"There should be appropriate safeguards in legislative provisions for ample public notice and open hearings, and clauses in the agreements providing, in case of unforeseen developments, for the modification or withdrawal of concessions, in order to prevent serious injury to domestic producers. Neither in the original form nor in practical application by reason of events that were not contemplated should agreements be permitted to cause destructive competition in American agriculture or industry."

The policy which I have just read to you has been in force, in its present form, since 1943, when it was adopted by vote of the membership. Under chamber bylaws this policy had to be considered for renewal in 1946. At that time it was submitted to the membership by referendum. The vote was overwhelmingly in favor of continued support.

Prior to renewal of the policy last year, the entire question of trade agreements was again examined thoroughly. A special subcommittee of the foreign commerce department committee, which is composed of outstanding businessmen in the foreign trade field, recommended that the policy be continued. This recommendation was concurred in by the full committee, and then submitted to the board of directors of the national chamber, who also approved. Afterward, it was studied by the policy committee. That group recommended that the policy be renewed again without change, and this recommendation was approved unanimously at our annual meeting.

I have gone into the question of chamber policy at some length because I think it important to emphasize that our continued support of the Trade Agreements Act is based on careful and mature consideration by businessmen representing diverse economic and geographical interests.

Some of you will recall that on May 5, 1948, Earl O. Shreve, then president of the chamber of commerce, appeared before a subcommittee of this committee to urge renewal of the Trade Agreements Act. In June of that year, Clem D. Johnston, a director of the national chamber, took the same position before the Senate Finance Committee. At other times, statements urging renewal of the act have been filed by the national chamber.

Our support of the program is based on the firm conviction that true world peace cannot be attained without world prosperity, that world prosperity cannot be attained without expanded and unhampered international trade, and that such trade cannot be attained without sincere and determined efforts on the part of all nations to reduce the barriers to world trade.

The Trade Agreements Act enables this Nation, with others, to work for the reduction of tariffs and other barriers to trade. The program is not a panacea for all the ills besetting international trade. It will not, by itself, bring about world peace and prosperity. But, the program is the only logical mechanism of attacking the excessively high

tariffs and the pernicious invisible barriers which operate so effectively to strangle trade.

The national chamber does not believe that all tariffs should be eliminated. We recognize the need for, and support, such tariffs as are necessary to provide adequate protection to American agriculture and industry and, also, where needed, for national security. We do not believe that all tariffs should be reduced to a specified equivalent ad valorem duty, for a high tariff on one item will not necessarily be restrictive, whereas a relatively low equivalent ad valorem duty on another may still be high enough effectively to preclude imports.

By the policy which I have read to you, it is evident that the chamber membership recognizes the importance of having available at all times appropriate executive machinery for the prompt adjustment of tariffs through reciprocal negotiations, flexible enough to meet rapidly changing world economic conditions. At the same time, one of the fundamentals of the chamber's position has been, very naturally, that the administrative machinery contain adequate safeguards for the protection of domestic industry and agriculture from destructive competition by foreign goods. The escape clause, established by Executive order, provides this protection.

It seems logical to assume that the reduction of excessive tariffs, with the elimination of other restrictive barriers, will be an important step on the road to unhampered and expanding international trade. The Trade Agreements Act is, so far, the most realistic and practical method of attaining this type of world trade.

Accepting, then, the premise that the Trade Agreements Act will, under normal conditions, permit private international trade to expand, the question to be answered is: "Do we want to encourage such trade?"

The answer is an unequivocal "Yes."

No nation, not even the United States, is self-sufficient. The high standard of living which we enjoy in the United States would not be possible without imports. It is true that our imports represent only a small percentage, generally less than 5 percent, of national income. But without certain products which we must import, our national income, and our standard of living, would be much lower. Where would we be, for instance, without coffee, and sugar, and tungsten? We could get along, but at a much lower standard of living. In the manufacture of the automobile, which is certainly a typically American product, it is necessary to import close to 100 different items.

Other nations, less richly endowed with natural resources and industrial potentialities, are even more dependent than we on imports. Those nations, too, could get along without imports, but the results would be even more drastic than they would be for us. Artificial barriers to trade can be erected, as they have in the past, but out of those barriers will spring the poverty and want of a lowered standard of living, and it is in the grounds of that despair that the seeds of communism are sown. Economic isolationism cannot, in the long run, benefit any free country.

Because the Trade Agreements Act will help to expand international trade, by reducing the barriers, the Chamber of Commerce gives it its support.

There is another factor which must be considered, a factor which can be evaluated in terms of black ink or red ink on the balance sheet. Increased trade means increased business for all segments of our economy. Almost every major industrial group does some export business, and in many cases the export market represents a fairly large percentage of the total business volume. Even if foreign sales represent only a small percentage of total sales, it may mean the difference between profit and loss.

We should not make the mistake of believing that the size of the export market is important only to our manufacturing interests. Shipments of agricultural products and extracted raw materials have formed a large part of our total export market.

There may have been some temporary disturbances in some lines of business as a result of adjustments necessary to meet altered conditions, and there has probably been a greater degree of competition, short of permanent injury, from foreign goods due to reduced American tariffs. It is my opinion, and I think this is shared by many persons who have been intimately associated with the details of the program, that those who have complained about those things have been prompted more by apprehension as to possible future injury than by actual experience of destructive effects. I believe that instances in which actual injury have occurred, and which have been serious enough to warrant recourse to the established machinery for the correction of abuses, have been very few.

On a historical basis, 60 percent or more of our imports come in duty-free. Thus, no more than 40 percent of our total imports could possibly be affected. Actually, only a very much smaller percentage could now be reduced. In many cases duties are now down to the limit which our negotiators feel is wise, and in other cases the duties have been reduced by the maximum permitted by our laws. Thus, the scope of further reduction of our own duties is limited. If we do not now continue the act, there will be no possible chance of getting other countries to reduce their tariffs and eliminate other obstacles.

Before closing I would like to make a few remarks about whether the act should be continued during this period, which has been so aptly termed the "dark-gray period" of mobilization. There is, I am convinced, even more reason now to work for reciprocal trade agreements than there has been in the past.

At the present time, or during a war, there will still be some private international trade, and it is important that every opportunity be afforded for it to continue. The Trade Agreements Act will help provide this opportunity.

To discontinue this program now would be more than a repudiation of our previous policy. It would be a deliberate step which could have no other effect than to raise the present barriers to trade, and that, as we know, leads to economic isolationism, which leads to political and military isolationism.

ADDENDUM

The Chamber of Commerce of the United States is a national federation of 3,133 trade associations and local chambers of commerce, which, in turn, represent 1,350,000 individual businessmen. Because the chamber in membership and direct interests embraces every important activity in our economy; and, through its membership—small businesses as well as large—it presents the opinion of a cross-section of our entire economy. Thus, it is that policies of the chamber do not represent the views of some special group or particular interest, but are drawn from the diverse interests of the country as a whole and are voted by its membership. This voting, incidentally, is so regulated that no geographic concentration of interests or economic concentration of power can override the broader interests of the entire membership.

Since the Chamber of Commerce is a democratic organization, and since its membership encompasses the widest range of interests, the members retain every right to express themselves as individuals. So, there may be some members who are in a minority disagreement, but the official attitude as approved at the annual meeting, favors the continuation of the Trade Agreements Act.

[From the Washington Post of January 24, 1951]

PERIL-POINT CLAUSE

The Eightieth Congress inserted a so-called peril-point clause in the Reciprocal Trade Agreements Extension Act in 1948 requiring the Tariff Commission to advise the President whether proposed tariff reductions would imperil American industries. The President was not compelled to follow the Commission's recommendations, but if he disregarded them, he would have to inform Congress of the reasons for doing so. A move is now under way to include this peril-point clause, deleted by the Eighty-first Congress, in legislation extending the President's authority to negotiate reciprocal trade pacts for a 3-year period. Its restoration would unquestionably hamper the negotiators, despite the fact that it is merely a warning signal, not an order to stop. It would also increase the pressure of special interests for favorable treatment.

Experience has shown that the only practicable method of reducing tariff barriers is by executive negotiation. In concluding trade agreements, moreover, the administration has always tried to protect legitimate American interests and there is no reason to suppose that it will be any less vigilant in the future than it has been in the past. Finally, a vote for restoration of the peril-point clause would not only be a retrograde step, it would also create fears, whether justified or not, of a return to narrowly protectionist policies that would reduce the capacity of other countries to earn more dollars from exports to the United States.

[From the New York Times of January 21, 1951]

RENEWING THE TRADE ACT

With the opening of hearings this week on extension of the Reciprocal Trade Agreements Act, we may expect renewal of the long battle to curtail existing Presidential authority to lower tariffs. Under the 1949 law, which expires next June, the President may make tariff reductions up to 50 percent of the 1945 rates in exchange for trade concessions from other countries. This law carries on the spirit of all the reciprocal trade acts since the first one was passed in 1934, except for the 1-year extension adopted by a Republican Congress in 1948, which required the President to report to Congress if he set rates below the point considered by the Tariff Commission as threatening serious injury to American producers. Republicans in both Houses have already said they would attempt to restore this peril-point provision, which was eliminated by the last Congress. If they succeed in doing so, they will do damage to the whole reciprocal trade system.

The peril-point provision retains the germ of the protectionist philosophy which the world trading position of this country has long since rendered obsolete. And as a practical working matter, the success of the program initiated by Secretary Hull has depended at least in part on freedom of negotiation by the President's representatives in the tremendously complicated bargaining discussions held periodically with other trading nations. Furthermore, the pressures induced by any proposal to lower tariffs are bad enough; the peril-point procedure only makes them worse. Under existing practice, all interested persons, all businesses that might be affected by a change in the rates, all Government agencies concerned, have ample opportunity to express their views. And most of our agreements have an escape clause for protection in case of serious injury.

Ever since the outbreak of the Second World War, our foreign trade has been carried on under abnormal conditions. But the necessity still remains for the United States to encourage imports, and that condition will

persist so long as we are the world's great creditor. The administration's request for a 3-year extension of the existing reciprocal trade law should be approved.

[From the Pittsburgh (Pa.) Post-Gazette of January 24, 1951]

EXTEND THE TRADE ACT

Although the problems of security for ourselves and our allies overshadow all other legislative issues, the question of renewing the Reciprocal Trade Agreements Act for another 3 years will no doubt prove a lively one for Congress. Foreign policy splits between the Republicans and Democrats are never so marked as in the field of trade relations. While it is true that a goodly number of Republican lawmakers are by no means protectionist in their tariff attitude, the GOP as a whole on the basis of its record does not take kindly to the idea of lower American trade barriers.

Thus, it was the GOP Eightieth Congress that hobbled the Reciprocal Trade Act with the so-called peril point amendment, thereby weakening this country's role as a leader in the campaign for freer commerce among nations. The succeeding Democrat-ruled Congress struck out this amendment, which had handicapped the Executive in swapping tariff concessions. Now the Republicans can be expected to try to put it back in the new extension that must be voted before June 12.

The peril point amendment is advanced as a safeguard against a domestic industry being seriously hurt by imports. Yet due protection to industry has not been wanting under the normal reciprocal trade law, which has worked well without such a clause for some 15 years. Actually, by giving the Tariff Commission broad powers of review, this amendment would mean lengthy delays in reaching reciprocal accords. On the whole, it would put needless obstacles in the way of worthwhile tariff adjustment.

"Continued participation by the United States in the cooperative effort to improve conditions of world trade," Mr. Acheson told a House committee this week, "will be recognized both at home and abroad as one clear indication that behind the shield of military power which we and our allies are creating, the techniques of growth and expansion are being maintained intact." To assure that continued participation and indeed to give evidence that this country means to lead the free world to a saner economic order, Congress should extend the Trade Agreements Act with no strings attached.

[From the Boston Herald of January 22, 1951]

TARIFF COMMON SENSE

The House Ways and Means Committee begins hearings today on a bill to extend the 17-year-old reciprocal trade program for another 3 years. There is little doubt that this vital measure will be adopted in some form. But die-hard opponents are mustering their strength against it, and, if they are not watched, they may succeed in entangling it in reservations and amendments.

This must not be allowed to happen.

The principal reservation now being suggested is a return to the peril-point clause, which enjoyed a brief trial during the Eightieth Congress. This clause would simply require the President to consult Congress before lowering any tariff below a point designated as dangerous to domestic producers, and would not be particularly troublesome in itself. It would, however, signal a drawing back on our tariff reduction program at a time when logic and self-interest should be taking us strongly in the opposite direction.

The United States for many years has been a creditor Nation and since the war our

credit position has become enormously more pronounced. During the 4 years 1946-49 we ran up an export surplus of \$29,000,000,000 (excluding \$3,000,000,000 of net receipts from investment income), which was nearly half of our total exports. All but a fraction of this was paid for by United States Government grants and loans. This simply cannot go on indefinitely. Eventually we must either stop selling abroad or let our customers pay for what they purchase by selling their own goods here.

It will doubtless be pointed out by the tariff group that the dollar gap of the early Marshall-plan period is now rapidly disappearing under the impetus of renewed United States military buying, and that the argument for tariff concessions is weakened to that extent. The Gray Report on Foreign Economic Policies, however, makes it abundantly clear that this condition is temporary. The moment European rearmament starts catching up with ours, the gap will reappear, and we must work harder than ever at finding solutions that do not involve Government hand-outs.

We are, moreover, looking for long-term as well as short-term solutions. And it is apparent that we cannot hope to get permanent stabilization of trade at the high level our exporters want unless we clear the way for a much freer flow of imports. The tariff conservatives, who would lean indefinitely on Government protection at home and Government handouts abroad, are living in a dream world. They should catch up with reality.

In fact, as the President's economic advisers suggest, we should go beyond mere renewal of the Reciprocal Trade Agreements Act. We should also push to speedy enactment the proposed Customs Simplification Act. And we should give serious consideration to the possibility of letting the President reduce tariffs unilaterally, at least during the present emergency, on essential items now in short supply.

But the reciprocal trade program is the indispensable and fundamental first step. Prompt approval of the administration bill will demonstrate our good intentions, and we can build from there. It is important that we do not stumble at the start.

[From the Christian Science Monitor of January 23, 1951]

RENEW THE TRADE ACT

American leadership for freedom must include leadership in the economic as well as political and military fields. One aspect of this leadership is reflected in American trade policies. This year what the United States Congress does about the reciprocal trade agreements will be watched closely throughout the free world and on the other side of the curtain, too.

It is specially important as hearings on the Trade Agreements Act get under way in the Ways and Means Committee of the House of Representatives that Americans understand why the trade program for mutual reductions of tariffs should be renewed without restrictive modifications.

In the 17 years since the reciprocal trade program was inaugurated it has proved itself so convincingly that few responsible voices are raised these days for its abolition. Most of the opposition centers on limiting the Government's powers under the act.

For example, it is again being suggested that the peril-point clause should be added to the law. Such a clause would require the President to consult Congress before lowering a tariff below a point considered dangerous to domestic industries.

This is undesirable not so much because of its probable application as because it would preserve protectionist fallacies in a program designed to overcome these very fallacies.

This is no time to advertise any remnants of an American economic isolationism. The tasks of survival demand the broadest readi-

ness among all free peoples to learn how to live together and to strengthen each other. The United States must lead in this, too.

[From the New York Herald Tribune of January 24, 1951]

ENCOURAGING RECIPROCAL TRADE

As the world's largest creditor nation, the United States can make the most appropriate sort of contribution toward widening the base for international financial stability by reaffirming its unqualified adherence to the reciprocal trade program. Neither the unsettled state of military affairs nor the temporary use of economic controls here and abroad diminishes the importance of our holding fast to basic objectives. The trade program is a logical part of the total policy we are directing toward the achievement of those objectives. We want to encourage economic self-reliance, not dependence, in friendly nations. We wish private traders and investors to participate fully in international exchange and development. We recognize the necessity of cutting away those barriers and discriminations that have so often invited political chaos and armed conflict.

Neither the trade program nor any other single program can do the whole job. Yet other countries will judge the sincerity of our total intention, and the wisdom of following our lead, by our willingness to take the individual steps leading toward the ultimate goal. For this reason favorable action on trade act renewal is of particular practical and symbolic importance.

One might have supposed that there would be no opposition within the House Ways and Means Committee to the renewal of so constructive an element in our foreign economic program. Not so. The old arguments, despite their having been riddled in the past, are being dusted off again: "American industry needs high-tariff protection. Tariffs will be slashed without warning. American industries will be destroyed. The only way to make the trade agreements safe is to nullify their central principle; no real concessions can be exchanged."

This total argument is contrary to fact and reason. American industry is the most efficient in the world; it does not live by high-tariff protection. Tariffs will not be cut without warning; even without the contradictory and unworkable peril-point provision, the law provides extensive opportunities for all interested public agencies—including the Tariff Commission—and private persons or groups to testify as to the possible results of future tariff concessions. American industry will not be destroyed; 16 years of reciprocal trade experience proves this. The reciprocal trade law is in the Nation's interest; it should be renewed in its present form.

[From the Philadelphia Bulletin of January 23, 1951]

THE IMPORT "PERIL"

A drive for the renewal of the Reciprocal Trade Agreements Act comes when the Nation faces a strain on its resources from a huge military program. No hardy isolationist will claim that the United States can do the job before it without great quantities of imports. The "peril" point that some Republicans worry about when they think of goods coming from other countries seems remote when the United States needs about everything it can get its hands on.

When the reciprocal trade policy was adopted by Congress 16 years ago we had trouble selling our products. We appeared to have more than we needed. If a liberal trade policy was sound then, it is today.

Most high protectionists will agree we need the world's minerals and raw materials in

this crisis of rearmament. But some of them are so wedded to their theories that Congress still keeps a tariff on copper, although we desperately need every ounce.

Right now customers are on a buying spree to stock up manufactured goods they fear will become scarce. They are certainly not worrying about the peril of having too much. Every customer will cheer if Europe and Asia are in the mood to send us anything we need.

Mr. REED of New York. Mr. Chairman, I yield myself 35 minutes.

Mr. Chairman, perhaps this would be the best place to read into the RECORD some of the labor organizations that were opposed to the extension of this Trade Agreements Act without amendment. I refer to pages 298 and 299 of the hearings which show the following labor organizations opposed to it:

Labor organizations: American Flint Glass Workers' Union; Atlantic Fishermen's Union; Seafarers' International Union; Fish Cannery Workers' Union of the Pacific; International Brotherhood of Bookbinders; International Photo-Engravers' Union of North America; United Hat, Cap, and Millinery Workers' International Union; International Council of Aluminum Workers' Unions; National Brotherhood of Operative Potters; United Cement, Lime, and Gypsum Workers' Union; International Chemical Workers' Union; National Match Workers' Council; Greenhouse Vegetable Workers' Union 20557; United Wallpaper Craftsmen and Workers' Union of North America.

Management organizations: American Glassware Association; National Association of Manufacturers of Pressed and Blown Glassware; Scientific Apparatus Makers' Association; National Fisheries Institute; Gloucester Fisheries Association; Massachusetts Fisheries Association; Seafood Producers' Association of New Bedford, Mass.; California Fish Cannery Association; Book Manufacturers' Institute, Inc.; American Photo-Engravers' Association; The Hat Institute; Wool Hat Manufacturers' Association of America; Reynolds Metals Co.; United States Potters' Association; Vitreified China Association, Inc.; Edgar Bros. Co. (kaolin); Manufacturing Chemists' Association; Synthetic Organic Chemical Manufacturers' Association; American match industry (no association); National Hot House Vegetable Growers' Association; The Wall Paper Institute.

America's Wage Earners' Protective Conference is composed of the following national and international unions affiliated with the A. F. of L.: International Brotherhood of Bookbinders; International Union of Operating Engineers; International Photo-Engravers' Union of North America; Atlantic Fishermen's Union; Glass Bottle Blowers' Association; American Flint Glass Workers' Union; Window Glass Cutters' League of America; United Hatters, Cap, and Millinery Workers' International Union; Brotherhood of Painters, Decorators, and Paperhangers of America; National Brotherhood of Operative Potters; American Wire Weavers' Protective Association.

Of course, in the eyes of the bureaucrats, these are just little people who have payrolls, people paying for their own homes, perhaps the central industry of a certain town—these workmen who are being sold out. Just kill them off say the free traders with this trade-agreement proposition here and let the communities die in their tracks.

Mr. Chairman, the two issues before the House in its consideration of H. R. 1612 are whether the Congress should again delegate authority to the President to make new trade agreements, and if the Congress does so delegate this au-

thority what should be the terms of the delegated authority.

My position on these two issues can be as simply stated as the issues themselves and it is that: First, no further delegation of authority should be made by the Congress to the President to make new trade agreements; second, if such authority is granted by the Congress, then, as a bare minimum, H. R. 1612 should be amended to provide: 1. That, with certain modifications as discussed below, the peril-point report provisions established by the Trade Agreements Extension Act of 1948 be reenacted; 2. That the President be directed to prevent the application of reduced tariffs and other concessions made in trade agreements with the free nations to imports from Soviet Russia and Communist China, and to imports from any Communist satellite country (including North Korea) which the President finds is part of a conspiracy against the free world; 3. That, for the purpose of clarification and to facilitate procedures, certain standards be established by the Congress for the guidance of the President in determining relief under the escape clause; 4. That the authority of the President to make new trade agreements be extended for a 2-year period instead of a 3-year period.

These four qualifications on the terms of the President's authority were unanimously recommended by the Republican members of the Ways and Means Committee.

In 1934 the citizens of the United States were told by unsound propaganda of the State Department that reciprocity would lay the foundation for perfect peace and brotherhood throughout the world. Our people were assured by the proponents of the trade agreement program that there would be no need for further conflict or wars if only we of the United States would agree to enter into reciprocal trade agreements with various foreign countries. This plausible but false idea was exploited to the fullest degree. What was the result as one after another trade agreement was entered into by the United States?

The result was that international trade, commerce, investments, and other economic relationships became more confused with every new trade agreement entered into. Currency depreciation and other forms of monetary manipulation became the order of the day. Exchange control, including clearing and compensatory agreements, were adopted as Government policy in the struggle of many nations to get an economic advantage over the people of other countries. Trade and commerce became confused with a maze of quota restrictions, licenses, permits, and other forms of control. A multitude of different unfair methods of competition became the practice of the day. All manner of foreign discriminations were introduced or resulted from the numerous so-called reciprocal trade agreements entered into by the United States with foreign nations and between various foreign countries. The trade agreement program during the past 17 years has become nothing more nor less than a poorly conceived device for reducing custom duties

to let foreign-made competitive goods and other products into our domestic market, to the injury of American labor, the American farmer, American industry, and the American taxpayer.

The truth about reciprocal trade agreements has never been revealed to the public by the State Department. It has resorted to misrepresentations as to the objective of the trade agreements and to false promises with respect to expected benefits to the United States.

The propaganda that peace would be restored and permanently underwritten by the proposed agreement made a powerful emotional appeal to the mothers and fathers throughout the Nation. International peace through trade agreements stirred into action the Christian churches, the women's organizations, and every mother who had suffered a tragedy in her home as a result of World War I. This sham crusade for peace led by the State Department became one of irresistible pressure on Congress to support this New Deal tariff-reduction plan for world peace. This unholy propaganda resulted in the enactment of the Trade Agreements Act of 1934. It did not result, however, as many a bereaved family knows, in the nations of the earth "beating their swords into plowshares."

I shall show later how it did promote war and also the price our Nation paid in American blood, lives, and treasure.

It was urged by the proponents of the trade-agreement program under the leadership of the State Department that, aside from the promotion of world peace and brotherly love, the adoption of the tariff-reduction scheme would increase our exports and thus bring prosperity to our workers, industries, and farmers. This was another fantastic promise on the part of the State Department that did not materialize from lower tariff concessions.

To fortify this statement's indisputable facts let me point out that the physical quantity of exports during the 5-year period—1935–39—before the beginning of World War II was only 80 percent as much as during the earlier prosperous 5-year period—1925–29. In other words, the physical volume of exports was actually 2 percent less under the reciprocity than under the American system of prosperity at home.

Now then, the assurance given the public that the Trade Agreements Act, if adopted, would bring about peace in the world and that the program would increase exports did not materialize. I state to the Congress, without fear of successful contradiction, that the trade agreements program as carried out by the State Department contributed to the wars in Europe and to the one in the Pacific. Had it not been for the perfidy of the State Department in deceiving the public with reference to exports the United States would not have been involved in a war with Japan. What did the State Department officials do when they found that there was a 20 percent reduction in exports under reciprocity than there had been under the American system of protection? Not only the State Department but also the entire New Deal administration forfeited their promise of peace under the trade agreements pro-

gram and instead encouraged the shipment of war materials to foreign nations in an effort to build up the promised increased exports.

I shall now show the tragedy for which the State Department has been responsible. Exports became more important to the State Department than human lives. Why not, said these zealous proponents of the trade agreements, furnish the war lords in Japan with our scrap iron, copper, steel, aircraft and plane parts, petroleum, street car rails, the latter removed from in front of the White House, the steel from the elevated railway in New York City and metal junk from all parts of the United States.

Robert T. Oliver, in his recent book entitled "Why War Came to Korea," makes this statement:

Japan's attack upon China in 1937 was strongly criticized in the United States, but during 1938 we provided Japan with 90.4 percent of her scrap iron and steel, and 76.9 percent of her aircraft and plane parts, 65.6 percent of her petroleum needs and many of her sinews of war. This trade continued to the very eve of Pearl Harbor.

I ask, has any group of persons or any nation by its acts, furnished Russia with more effective propaganda than to point out to the Chinese the fact that the United States armed Japan with the material to make the weapons with which to slaughter the Chinese women and children? The warmongering program of the State Department finally succeeded in preparing Japan for an all-out war against us. There could have been no war in the Pacific and the Far East had it not been for the shipment of war supplies by the United States to a potential enemy.

Let me present the facts to establish the responsibility of the State Department more in detail. The very year—1937—that Japan opened war in China our exports of scrap iron and steel exports to Japan amounted to 2,081,037 tons, or enough to build 20 battleships of 45,000 tons each; 200 submarines of 2,400 tons each; 10 aircraft carriers of 30,000 tons each; and 26 cruisers at 15,000 tons each. Thus the State Department could claim an increase in exports—not in the regular course of commerce—of which to boast, so long as the character of the diabolical purpose of these exports were not disclosed to the public.

The next year—1938—our scrap and steel exports to Japan were 1,463,000 tons; 1939 they were 2,179,000 tons, and in 1940 they were 1,248,000 tons. At this point in this program of claiming an increase in exports as promised by the State Department, the United States foreign trade statistics, normally published by the Department of Commerce, became a military secret. No official figures are available to reveal the amount of metals and war materials exported to Japan in the first 11 months of 1941. The fraudulent claim that the trade agreement program was responsible for an increase in exports was becoming debunked. Protests against arming Japan were being heard in Congress. An inquiry as to why the State Department

was suffering and permitting these shipments would have been most embarrassing to the trade agreement proponents. Arming a country to cut the throat of our Chinese friends as a means to claiming credit for increased exports under the trade agreement program would have been indefensible. These war exports to Japan came back with ghastly results.

At 7:55 o'clock on the morning of December 7, 1941—Hawaiian time—100 Japanese planes, built of and equipped with our exports, attacked our United States Pacific Fleet anchored at Pearl Harbor, T. H. To aid in this raid several midget submarines constructed with our exports assisted the Japanese planes in their raid on our men and ships. It was our exports to Japan that totally destroyed the battleship *Arizona*. This raid severely damaged the battleships *Oklahoma*, *Nevada*, *California*, *West Virginia*, and three destroyers, one target ship, and one minelayer. Damaged but finally repaired were the battleships *Pennsylvania*, *Maryland*, *Tennessee*; cruisers *Helena*, *Honolulu*, *Raleigh*; one seaplane tender, one repair vessel, one drydock. Our loss of airplanes in this raid: Navy, 80; Army, 97.

All of this damage and cost was inflicted by Japan with our exports to her of essential war material.

But here is the ghastly part of this export program. Casualties: Navy, 2,117 officers and men killed; there were 960 missing and 376 wounded. Army, 226 officers and men killed; 396 wounded.

This is the result of an attempt of the State Department to deceive the American people that exports had actually expanded as a result of the reciprocal trade agreements.

Have the American people suffered enough from the perfidy of the State Department? Now after the experience of the holocaust at Pearl Harbor is the same scheme of arming our enemies being suffered and permitted to be continued as a permanent appeasement policy? The shipment of essential war material to Russia and Red China from our own ports has continued since and even before the Korean war.

I call attention to the fact that the State Department, in its mad rush to increase our exports, stripped our Nation of copper, scrap iron, and other essential war materials to the point where the children were asked to save their copper pennies for our war needs. The State Department had a secret meeting with the Ways and Means Committee, urging the removal of the tariff on scrap iron to aid our war effort. The country was so reduced in scrap metal that ships and men had to go to Central America and the Caribbean islands to collect old sugar mills and the rails from abandoned railways to replenish the loss of the material that had gone to Japan to enable her to butcher the Chinese.

It would not be fair to leave this subject without further emphasizing the fact by repeating that during the 5-year period 1935-39 a very large portion of the exports of commodities consisted of materials needed by Germany, Italy, and Japan in their preparations for World War II. They imported from us, not

because of trade agreement concessions, but in order to prepare for war. In other words, if I may repeat, not only was the physical quantity of legitimate exports 20 per cent less than during the earlier period, but a very large portion of the exports which we did find possible consisted of scrap iron and steel, petroleum products for military purposes, trucks, tractors, and other vehicles, machinery for the making of war instruments of destruction.

It should not be forgotten that much of the exports of farm products were made possible by payment of export subsidies, and not as a result of reciprocal trade agreements.

Aside from the contribution of the State Department to the death of our boys at Pearl Harbor and the devastating war that followed in the Pacific, the loss in revenue from the reduction in custom duties under the reciprocal trade agreements should not be overlooked.

The rate of duty imposed upon dutiable imports has now been reduced down to the last month for which the official figures—which averaged on 12.4 percent of the value of dutiable imports. So that whereas over a 20- or 30-year period—in fact at the turn of the century—our tariff averaged something like 36 percent. Now, the tariff has been gradually reduced under the trade-agreements program until the last month—as I say—the tariff was on 12.4 percent of the value of the dutiable commodities. The value of imports has increased and they are now up to well over \$6,000,000,000 so that even with the low rate of duty the revenue has not increased. Over one-third of all imports are dutiable—just about \$2,000,000,000 out of \$6,000,000,000 are dutiable. Now during the 5 years since the war closed—there is no use discussing the revenue during the war period—the customs duties have been as follows:

During the year 1945, \$391,000,000.
During the year 1946, \$498,000,000.
During the year 1947, \$445,000,000.
During the year 1948, \$417,000,000.
During the year 1949, \$374,000,000.

They had been up to a very much higher level than that. During earlier periods the revenue customs duty collected had run up to approximately \$600,000,000 a year. In other words, during the 10 years from 1920 to 1930, there had been right around \$600,000,000—now they are down to less than \$400,000,000. In spite of the fact that our imports have increased from \$400,000,000 to \$600,000,000, because of the lower rates under the trade-agreements program, the revenue has decreased from an average of \$600,000,000 to \$400,000,000. The result is that we are now losing \$200,000,000 a year in revenue, because of the trade-agreement concessions. Well, if you lose \$200,000,000 a year, it only takes 10 years to lose \$2,000,000,000. So you could say that during the last 10 years we have lost \$2,000,000,000 because of the low rates.

I want to call attention of my colleagues to the fact, and a tragic and indefensible one, that Communist Russia and all of her Communist satellites, including Red China, are getting the benefit of every tariff concession made in

every trade agreement entered into by the United States.

Communist Russia and all of the countries behind the iron curtain, including Red China, get all of the tariff concession benefits without granting a single concession to the United States.

This is simply a repetition of arming another foe with the implements to destroy our American boys. Such deadly material exported to Russia and paid for by free imports into the United States from Russia in time of war cannot be successfully defended. To grant Communist Russia and the countries dominated by her the same tariff reductions the United States has made to 45 other free nations is to furnish Russia and her satellites the dollars with which to buy arms, ammunition, and other war materials with which to build tanks, planes, and trucks to prosecute a war against us is unthinkable and preposterous.

THE PERIL POINTS

In considering why it is imperative that the Congress establish some safeguards to the conduct by the State Department of this program I call the attention of every Member of the House to the following statement which was made by the State Department to the Ways and Means Committee regarding the objectives of trade-agreements legislation. The statement is as follows:

We shall have a clear mandate to broaden the basis of United States foreign trade, to create purchasing power for American exports, and to guide the economy as a whole into the most productive lines possible.

I repeat "to guide the economy as a whole into the most productive lines possible." Let me ask the proponents of this legislation to point out to me the section of this law or the section of any past extension of the trade-agreements program which gives the State Department authority to "guide the economy as a whole into the most productive lines possible." I suggest, Mr. Chairman, that they cannot do so, because there is no such authority and it was never intended by the Congress that the State Department should be entrusted with the responsibility of "guiding the economy as a whole into the most productive lines possible." But, and here is the crux of the matter, State Department officials believe they have this authority and it is for this reason that some safeguards must be established by the Congress if H. R. 1612 is enacted.

Personally I do not feel that the peril point procedure adopted in the Extension Act of 1948 and recommended by the Republicans for reenactment at this time is an adequate safeguard because in the final analysis it means only that the President will have to advise the Congress if the State Department negotiators have reduced tariffs below a point which will result in serious injury to our domestic producers. But it is a step in the right direction. In brief, all that the peril point procedure will do is that—

First. The President will be required to submit the list of articles to be negotiated to the Tariff Commission.

Second. The Tariff Commission must make a factual study of each item and make a report within 120 days to the

President. This report will contain the Tariff Commission's findings as to the limit the President might lower or raise duties without causing or threatening serious injury to the domestic industry producing like or similar articles.

Third. The Tariff Commission is required to hold hearings.

Fourth. The Tariff Commission is to continue to furnish factual information to the negotiating committees but members of the Tariff Commission may not sit as members of the Committee for Reciprocity Information or the Trade Agreements Committee.

Fifth. If tariff cuts and other concessions are made below the peril point report of the Tariff Commission, the President must identify the articles and state the reasons to the Congress for the action taken with respect to such items.

Sixth. The Tariff Commission is to furnish the Ways and Means Committee and the Finance Committee a copy of its report on only those items which have been cut below the peril point.

Those who oppose the peril-point procedure have been carefully schooled by the State Department in the argument that this procedure deprives the executive department from using the Tariff Commission and its employees in negotiating trade agreements. The answer to this is that the Tariff Commission was never intended by the Congress to participate in the conduct of foreign affairs—it was established as a bipartisan fact-finding commission by the Congress to carry on investigations and to supply information on our customs laws. It is

not the function of the Tariff Commission to trade and to negotiate, and in fact it is the very purpose of the peril-point report that the findings of the Tariff Commission be made as a full commission based on facts and not vague international objectives.

The only argument of any possible substance against the peril-point safeguard procedure in the 1948 Extension Act was the requirement that a copy of the complete report of the Tariff Commission, including the items on which concessions did not go below the peril points, was to be furnished the Committee on Ways and Means and the Senate Committee on Finance. It was alleged by the State Department that some dissatisfaction by foreign countries might arise if they learned that their negotiators had not held out for the maximum reduction which the Tariff Commission reported could be made without serious injury, or the threat of it, to our domestic producers. To remove this objection we recommend a change in the peril-point procedure so that the information to be supplied by the Tariff Commission to the Congress will be limited only to those items on which trade agreement concessions go below the peril points.

It is ridiculous to say as the State Department does that the Tariff Commission cannot establish peril points. The dissenting members of the interdepartmental committee are charged under Executive Order 9832 with the duty of "giving the reasons for their dissent and specifying the point beyond which they consider any reduction or conces-

sion involved can be made without injury to the domestic economy." It is not a question of being able to establish peril points, but rather whether the State Department or the expert Tariff Commission is better equipped to do so.

In substance the issue boils down to whether in its calculated-risk policy of guiding the economy as a whole into the most productive lines possible, the State Department should have available to it the expert advice of the Tariff Commission. The very stating of the issue must in itself supply the answer to any reasonable person.

THE ESCAPE CLAUSE

One of the most serious defects of this misnamed program is that no provision for an escape from serious injury or the threat of it caused by imports resulting from reduction in tariffs and other concessions is contained in the trade agreement law itself. An escape clause was inserted in the trade agreement with Mexico in 1943 and all subsequent agreements now contain such a clause. Due, however, to the ambiguity of the language of the clause and the failure by the Congress to establish any guiding principle for the President in determining when relief under the escape clause should be granted, only one application for relief has ever been made. At this point, Mr. Chairman, I would like to insert the record of what has happened to applicants who have applied for relief under the escape clause. As you will see the escape clause is a wholly ineffective remedy—in fact it is no remedy at all.

UNITED STATES TARIFF COMMISSION, WASHINGTON

Applications for investigations under escape-clause provisions of trade agreements

Commodity	Name and address of applicant	Date received	Status
1. Marrons.....	G. B. Raffetto, Inc., New York, N. Y.....	Apr. 20, 1948	Dismissed without formal investigation, Aug. 27, 1948.
2. Whiskies and spirits.....	United States Distillers Tariff Committee, Washington, D. C. (application filed on behalf of 28 distilling companies).	Sept. 7, 1948	Dismissed without formal investigation, Jan. 3, 1949.
3. Spring clothespins.....	The DeMeritt Co., Waterbury, Vt. (6 other producers).	Nov. 10, 1948	Formal investigation ordered Apr. 27, 1949. Completed Dec. 20, 1949. No modification in concession recommended.
4. Knitted berets, wholly of wool.....	The American Basque Berets, Inc., New York, N. Y.....	Feb. 11, 1949	Dismissed without formal investigation, July 8, 1949.
5. Crude petroleum and petroleum products.....	Independent Petroleum Association of America, Washington, D. C.	Feb. 15, 1949	Dismissed without formal investigation, May 3, 1949.
6. Hops.....	United States Hop Growers Association, San Francisco, Calif.	Mar. 28, 1949	Dismissed without formal investigation, May 11, 1949.
7. Reeds, wrought or manufactured from rattan or reeds, cane wrought or manufactured from rattan, cane webbing, and split or partially manufactured rattan, n. s. p. f.	American Rattan & Reed Manufacturing Co., Brooklyn, N. Y.	May 20, 1949	Dismissed without formal investigation, Feb. 17, 1950.
8. Narcissus bulbs.....	Northwest Bulb Growers Association, Sumner, Wash.	June 9, 1949	Dismissed without formal investigation, Jan. 13, 1950.
9. Sponges, n. s. p. f.....	Sponge Industry Welfare Committee, Chamber of Commerce, Board of City Commissioners, Greek Community, all of Tarpon Springs, Fla.	June 14, 1949	Dismissed without formal investigation, July 22, 1949.
10. Knit gloves and knit mittens finished or unfinished wholly or in chief value of wool; gloves and mittens embroidered in any manner, wholly or in chief value of wool; gloves or mittens, knit or crocheted, finished or unfinished, wholly or in chief value of cotton.	Association of Knitted Glove and Mitten Manufacturers, Gloversville, N. Y.	Aug. 5, 1949	Action deferred to study further developments, Nov. 22, 1949.
11. Knitted berets, wholly of wool (2d application).....	The American Basque Berets, Inc., New York, N. Y.	Nov. 23, 1949	Dismissed without formal investigation, Jan. 13, 1950.
12. Woven fabrics in the piece, wholly of silk, bleached, printed, dyed, or colored, and valued at more than \$5.50 per pound.	Textile section of the manufacturers division of the Greater Paterson Chamber of Commerce, Paterson, N. J.	Jan. 5, 1950	Dismissed without formal investigation, Sept. 21, 1950.
13. Women's fur felt hats and hat bodies.....	The Hat Institute, Inc., United Hatters, Cap & Millinery Workers International Union, New York, N. Y.	Jan. 24, 1950	Investigation completed. Certain of the concessions withdrawn.
14. Stenell silk, dyed or colored.....	Albert Godde Bedin, Inc., New York, N. Y.....	Jan. 30, 1950	Pending.
15. Beef and veal, fresh, chilled, or frozen.....	Western States Meat Packers Association, San Francisco, Calif., and Washington, D. C.	Mar. 16, 1950	Dismissed without formal investigation, June 30, 1950.
16. Aluminum and alloys, in crude form (except scrap); aluminum in coils, plates, bars, rods, etc.	Reynolds Metals Co., Louisville, Ky.....	Mar. 24, 1950	Dismissed without formal investigation, Nov. 21, 1950.
17. Aluminum and alloys, in crude form (except scrap); aluminum in coils, plates, bars, rods, etc.	Kaiser Aluminum & Chemical Corp., Washington, D. C.	Apr. 7, 1950	Do.
18. Lead-bearing materials, lead and lead scrap.....	Emergency Lead Committee, New York, N. Y.....	May 11, 1950	Dismissed.
19. Lead-bearing materials, lead and lead scrap.....	New Mexico Miners & Prospectors Association on behalf of lead producers of New Mexico, Albuquerque, N. Mex.	May 16, 1950	Do.
20. Hatters' fur, or furs not on the skin, prepared for hatters' use, including fur skins carotred.	The Hatters' Fur Cutters Association of the U. S. A., New York, N. Y.	June 22, 1950	Formal investigation ordered Jan. 5, 1951.

UNITED STATES TARIFF COMMISSION, WASHINGTON—Continued

Applications for investigations under escape-clause provisions of trade agreements—Continued

SECTION 22—AAA

Commodity	Name and address of applicant	Date received	Status
Edible tree nuts.....			Investigation ordered Apr. 13, 1950.
Harsh or rough cotton having a staple of 1½ in.....			Investigation ordered June 30, 1950. Hearing held July 18, 1950. Report to President Aug. 14, 1950.

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Grape wines containing more than 4 percent alcohol.....	National Association of Alcoholic Beverages.....	June 30, 1950	Dismissed Sept. 15, 1950.
Almonds.....	Almond Growers Exchange, California.....	July 8, 1948	Report to President November 1949.

SECTION 337

Pistol-simulating cigarette lighters.....	Gunlite, Inc., New York City.....	July 26, 1950	Dismissed Sept. 15, 1950.
Rubber catheters.....	Davol Rubber Co., Providence, R. I.....		Dismissed Nov. 28, 1950.

To correct this deplorable situation it is imperative that the Congress establish certain criteria which will be recognized as a presumption that a serious injury or the threat of it has occurred. This will greatly expedite the procedure under the escape clause and give assurance to all segments of the economy that it is not futile for them to apply for relief. This problem will be discussed more fully as the debate develops, and for that reason I pass now to the question of imports from Russia, Communist China, and their satellite Communist countries.

IMPORTS FROM RUSSIA, COMMUNIST CHINA, AND OTHER IRON-CURTAIN COUNTRIES

As the result of the most-favored-nation principle, reductions in duty and other concessions made by the United States with all countries under the trade-agreement program are automatically extended to Russia, Communist China, and all other Communist-dominated countries. We now have trade agreements with approximately 45 free countries, covering literally thousands of imported items, and the benefits of all these concessions contained in these agreements are now benefiting Russia, Communist China, and their satellite iron-curtain countries.

In the case of Russia, for example, approximately 88 percent of its dutiable imports into the United States benefit from reduced rates provided in trade agreements by us with free countries, and 92 percent of the tax-free imports from Russia consists of products bound on the free list in trade agreements by us with free countries.

In the case of Communist China, 72 percent of the dutiable imports into the United States from that country benefit from trade-agreement concessions granted by us to free countries, and 75 percent of the duty-free imports of that country benefit from our concessions to the free nations.

Briefly summarized, similar figures for other iron-curtain countries are as follows:

Poland, 80 percent of the dutiable imports and 79 percent of the free imports.

Hungary, 73 percent of the dutiable imports and 69 percent of the free imports.

Bulgaria, 97 percent of the dutiable imports and 30 percent of the free imports.

Manchuria, 99.8 percent of the dutiable imports and 98 percent of the free imports.

Rumania, 96 percent of the dutiable imports and 84 percent of the free imports.

It is outrageous that our American soldiers should be fighting the Communists in Korea while at the same time all the Communist countries are enjoying the benefits of concessions made by the United States to the free world without—except in the case of Czechoslovakia—having given the United States a single concession in return. This rank and preposterous inconsistency in our foreign policy must be removed at once by the denying to Russia and Communist China, and to any Communist satellite country—including North Korea—which the President finds is part of a conspiracy against the free world, the benefit of the reduced rates which we have granted to the free world.

Mr. COOPER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the pending bill, House bill 1612, was favorably reported by the Committee on Ways and Means by a vote of 18 to 7. It is very gratifying that three of our Republican colleagues on the committee joined with the solid majority in voting to favorably report this bill.

The purpose of the pending bill is to extend for 3 years from June 12, 1951, the authority of the President to enter into foreign-trade agreements under section 350 of the Tariff Act of 1930. The original Trade Agreements Act was approved on June 12, 1934, and has been extended six times.

As is shown on pages 14 to 19 of the report the various extension acts are there listed and it shows that the act was extended on March 1, 1937, again on April 12, 1940, again on June 7, 1943, again on July 5, 1945, again on June 26, 1948, and on September 20, 1949. It has always been the policy under this legislation for Congress to frequently make a review of this program. It was originally enacted for a period of 3 years, and the purpose expressed at that time was that Congress should periodically review the accomplishments under this type of program and retain control of the program by making these frequent reviews of the effects of the program, and that has been done throughout the years since the be-

ginning of this program. The trade-agreement program is a very important part of our foreign policy and should be continued. The trade agreements resulting from the negotiations of the past 16 years are now in effect with 45 other countries. In 1949 about 75 percent of our foreign trade was carried on with these countries. The most important agreement made thus far under the program is the general agreement on tariffs and trade which was entered into first at Geneva, and then later negotiations were carried on at Annecy, France, and now negotiations are under way at Torquay, England. The first negotiations at Geneva were in 1947, and 23 countries participated in the negotiations. Over 100 negotiations took place; over 45,000 separate tariff rates were dealt with. At Annecy, France, in 1949, nine more countries negotiated with the original countries and became parties to the general agreement. When the negotiations now going on at Torquay, England, are completed, it is expected that seven more countries will become parties to the general agreement. Therefore it will be seen that this program has been systematically and carefully built up throughout the years of the existence of the program.

The general agreement is the most successful effort ever made to negotiate tariff reductions over a wide area of world trade. The products included in the tariff schedules in the general agreement account for over one-half of the entire trade of the world. The fact that so many of the trading nations of the world are parties to this agreement means that its general provisions have a much wider application than the general provisions of any of the earlier bilateral trade agreements that were ever entered into. These general provisions now constitute an important part of the international commercial policy rules that apply between all of the commercial trading nations of the world. Thousands of our American businessmen are today profiting very materially by these rules governing commercial policy throughout the world. Why, it has been brought to our attention on many occasions that one of the most discouraging things encountered by American businessmen is the various trade restrictions that they have to encounter when they go to other countries of the world to try

to dispose of their products, and among other things are the many restrictions with respect to getting their money out of those countries after they have sold their goods and their products there. These and the various other restrictions that apply to trade throughout the world are dealt with in these trade agreements in a scientific and effective manner, and the best results thus far accomplished in the field of foreign trade and commercial policy between the peoples of the different nations of the world have been accomplished under this trade agreements program. The program has been administered with great care. All negotiations have been handled on a product-by-product basis. All negotiations have been handled under safeguards adequate to meet the needs of particular industries or groups of producers. The procedures followed in the administration of the act include provisions for wide public hearings and public notice to secure the fullest possible information in dealing with these various commodities proposed by the different countries of the world.

They provide for making concessions to meet the particular situation of particular producers, so as to permit the proper degree of imports into this country and to avoid injury to domestic interests. They include the escape clause, which provides for the withdrawal of concessions should they cause or threaten serious injury to any domestic industry.

As an indication of the care with which the authority to reduce the tariffs by the trade agreements has been administered, it should be pointed out that out of all of the hundreds and even thousands of tariff rates which have been reduced in agreement since the escape clause was first introduced in 1943 only 20 applications have been made to the United States Tariff Commission for its use, and thus far only one has been recommended by the Tariff Commission to justify action. We were told that only 20 of these applications for the application of the escape clause had been made throughout all this period of time, and that six of those applications are still pending before the Tariff Commission. All the others except one had been dismissed as not meeting the requirements laid down by the Tariff Commission, and in only one instance had the application been approved.

Mr. Chairman, it is well known that during the period covered by this program the people of the United States have achieved the highest level of prosperity and real income ever known in the history of this Nation. The standards of wages in the United States, as well as the income of our people and our farmers during this period, have been the highest in all history. The expansion of world trade brought about under the trade agreements program has contributed substantially toward this degree of prosperity.

It is not claimed by anybody that this program has been solely responsible for these gratifying results, but certainly it has made a material contribution in this direction.

Let us just remind ourselves for a moment in passing of the tremendous

importance of foreign trade to the business of this country as well as agriculture. We know in ordinary times that we produce about 20 to 25 percent of our wheat as a surplus, about 55 or 60 percent of our cotton, about 40 percent of our packing house lard, as well as many other livestock products; and about 40 percent of our tobacco, as well as vast quantities of many other agricultural products.

We produce that much more in this country than we consume. Unless we can find a market throughout the world to dispose of these agricultural surpluses there can be only one result, and that is they will remain on the markets in this country and beat down the prices that our farmers receive for the products of their toil. Likewise it is true with reference to our manufactured products. We produce vast quantities of surplus products of many industrial items in this country. Unless we can find markets throughout the world to dispose of these surpluses they can have but one effect, and that is to curtail business in this country and produce results such as existed during the period of time when the doors of the markets of the world were closed under the operation of the embargo tariff provisions provided under the Tariff Act of 1930. This program has worked well. It is the most constructive effort that has been made thus far in the history of the country to carry on world trade on a scientific basis so as to keep secure the maximum degree of benefits and at the same time permit the least possible degree of injury to any industry in the country or any product produced by our people.

So we feel the splendid results accomplished under this program justify further confidence and support, and we ask for your support of the pending bill.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. REED of New York. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. KEARNEY].

Mr. KEARNEY. Mr. Chairman, once again we are debating a bill to extend the reciprocal trades agreement for another 3 years. I want to go on record as opposed to this extension for 3 years.

I believe in reciprocity in its broad sense but I do not believe that under the law which has been on the statute books for many years it even begins to add up as a reciprocity act. To me, reciprocity is not a one-way street but that is what the act has been in my humble opinion.

If the act has to be renewed, it would be far better to extend it for a period of 1 year in order that a thorough review be had during the coming 12 months. It would be well for the Congress to appoint a joint committee composed of not only members of the Ways and Means Committee but also members of the Foreign Affairs Committee. This committee, in the joint study of the Reciprocal Trades Agreement, should go into the question of its effect not only on our domestic economy but its importance to our foreign policy.

There should most certainly be a part of any bill passed by this House a provision for an escape clause. Further, the

Tariff Commission should be required to publish its reasons for dismissing any application and investigations.

In the Thirty-first Congressional District of New York, the district I have the honor to represent, we have a large segment of our economic life devoted to the manufacture of fine ladies' and men's leather gloves, fabric gloves, and knitted woolen gloves. This industry is one of the oldest in our country. The requisite skills in cutting and sewing leather gloves have been handed down by generations from father to son and in one county of the Thirty-first District of New York, my own home county of Fulton, practically the entire economy of over 50,000 people is directly dependent upon the welfare and progress of this industry. This is also true of many communities in the Middle West, throughout Wisconsin and Michigan.

On June 9, 1950, I appeared before the members of the Committee for Reciprocity Information and gave to them the above facts and followed with further information on our industry. A survey shows that almost 70 percent of the workers are in the age group of 36 to 87. By and large they own their own homes, have families, and are skilled workmen. I do not believe it was the intention of Congress in 1934, when the representation of the people delegated certain power to the executive branch of the Government, to negotiate with other nations from time to time on the question of raising or lowering the rates in our tariff structure, to force people to break up their homes and start life anew as unskilled laborers at lower wages. That is the prospect they face at being thrown into competition.

Back in 1929, Congress conducted extensive hearings as to tariff rates to be set on every item in the schedule. It was conceded then that the rates so set were to be in a measure a protection for American industry and American working men and women and to equalize, as far as possible, the difference between the cost of direct labor abroad and similar costs in this country.

One constantly hears that tariff is a form of subsidy but that is not so. A subsidy guarantees to a producer a fair return for his product. The tariff does not guarantee any producer anything.

Our industry cannot compete with foreign-made gloves, either leather or woolen gloves. Today, knit wool gloves coming from Japan, with practically the same design as ours hand-made, are being sold at retail much cheaper than we can make them. Today we are importing more than we ever did and, barring a war or depression, we shall continue to import as much or more. In our economy we certainly have a place for both imports and exports. But the fact that we have no control over the standard of living in foreign countries makes it necessary that we in the Congress protect, as far as possible, our own industries. Today, more than ever, the welfare of our people should be the adopted policy.

Mr. REED of New York. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, the question of the protective tariff is as old

as our country and really a little older. You know, before the Constitution was written the States built up trade barriers, in a way, against each other and for the protection of themselves. And all that time Great Britain was trying to keep us as an agricultural country and nothing else. They wanted us to produce raw material for their manufacturing plants. When the Constitutional Convention was called the members of that Convention wrote a Constitution which cemented us together. The Constitution provided that one State could not levy a duty against the importation into that State of the products of another State. Ever since that time the protective tariff has been a live issue, and sometimes it has been more alive than others. Our country quite consistently has protected its industries against the importation of competitive articles from cheap-labor countries. So the program has been carried on, and today we naturally claim that it is a Republican doctrine because in the early days when the products of the North and South were more distinctively different than they are now, naturally the South was an agricultural section and was inclined to free trade, and the North, being an industrial section, needed and demanded protection.

So the writers of the Constitution put a provision in it which is very positive. Here is what it says in effect: It says that the Congress shall have the right and the power to levy duties and imposts, and so forth. That also puts the responsibility upon the Congress. That is our responsibility. We should write the tariffs and impose the duties. Today our good friend, the gentleman from Tennessee, stands in the well of the House and tells how prosperous we are, and so forth. Well, I do not fully agree with him, especially his implications, but I do not have the time to go into details and argue with him on that proposition.

But this is what I am trying to suggest to you. We, the Congress of the United States, have in effect surrendered up a right which the Constitution gives us. More than that we have surrendered a duty and responsibility which the Constitution imposes upon us. We do not write the tariff laws any more. We have but very little to do with it. It is a case of where we have yielded an inch and they have taken a mile.

We have down here in Washington the trade agreements set-up, and that group writes the tariffs, and they write all the concessions that we surrender up to the other countries. All they have to do is make a finding and tell the President just what they found, and he can do just what he pleases. The practical writing of tariffs today is in the hands of the President and those he appoints. I am not speaking of the Tariff Commission. The Tariff Commission is a dignified, bipartisan commission, made up of four Democratic and two Republicans. This Commission was set up to render a great service which was demanding attention. This Commission was given great responsibilities under the law. They have a responsibility under the law, but now they have been supplanted they have practically nothing to do with the writ-

ing of tariffs. That has been transferred over to the President, and the President does it through the groups and agencies that he appoints. I think that few if any of these appointments are confirmed by the Senate. I say that this departure is a usurpation of the power of Congress, a surrender of the power of the Congress that I have never supported and I do not intend to support. It is not necessary for us to give up this constitutional privilege and it is not consistent with good government for us to voluntarily surrender it by passing legislation permitting the executive department to usurp and to supplant the prerogatives of the Congress.

Let me give you the history of the tariff, as far as the Republican Party is concerned. The Tariff Commission was established for the purpose that its name implies—to deal with tariffs. In order to do it effectively we did what we have done several times before—and it is perfectly constitutional—the Congress has surrendered certain of its powers to the executive department but within definite and certain limitations. Congress has surrendered to the Executive some executive functions that the President and his executive staffs can and should do but these functions have been given to be exercised strictly within limitations. We the Republican Party passed the first reciprocal trade agreements, but we established them within limitations. We said, in effect, that the Tariff Commission shall study all these tariffs and trade matters and then make recommendations to the President, and the President then could go up or down, and increase or decrease the tariff rates within the limitations prescribed by the law passed by Congress. He could not exercise any congressional functions except those which the Congress had given to him. We gave him his responsibility and his power, but we said he can go only that far. But today he can do just about as he pleases, because the Democrats have amended the laws so as to make the fixing of tariff rates and the regulation of the flow of imports and exports to and from our country an executive function to be exercised by the executive branch of the Government. The President has now practically the whole power; all the tariff fixing agencies are responsible only to him.

They talk about the law providing for an increase or a decrease in tariff rates. They say that the President is yet bound to raise and lower duties but I think I can say that in practically only one instance has the President or his group ever increased any tariff duty. Just think of it. The President in every instance but one has reduced the tariff duties and never increased them. It is by increasing duties he protects our industries and by reducing the duties he opens the doors of our ports to the great flood of foreign-made goods that fill our stores and take the markets away from American producers and American makers.

They say, "Well, how about the industry of the country?" I see my good friend who sits on the front seat on the Democratic side, right down in front of

me, the gentleman from Kentucky [Mr. PERKINS]. He comes from a coal-producing county. I dare say that the coal producers in his county are not satisfied with the importations of oil, a million barrels of oil coming in every day. This is not a million barrels every week or every month or every year, but a million barrels a day coming in. What effect does that have on the coal industry? Ask any coal producer or any well-informed coal miner—and there are thousands of them—they will say that these importations of oil are very disastrous to the coal-mining industry.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. PERKINS. I wish to agree in your statement. I do come from a coal-producing State and a coal-producing section, and this residual oil problem has created quite a problem for the coal fields.

Mr. JENKINS. I am glad for the comment of the gentleman from Kentucky [Mr. PERKINS]. His mining industries are affected as are all other coal mines. It is a very serious problem. They say the coal business is a big business. It is but it has been curtailed dangerously. You can allow your feelings with reference to the producers and miners of coal to prejudice you against the industry generally but there are hundreds of thousands of men, women, and children dependent upon the coal industry. Today the coal miners of the country in 3 days a week can produce all the coal that the coal industry can sell in this country.

Many miners are idle 3 or 4 days a week and many the whole year round. What is the reason? The reason is this million barrels of oil that is coming in every day. It finds its way into the furnaces and into the heating plants of the whole Nation. You cannot blame this situation onto the miners. This is another industry that you cannot say is prosperous. I do not know anybody who wants to invest money in the coal mining business. They are not listed on the stock exchanges in New York. Nobody is falling over himself to get into that business, because it has gone down about 50 percent. I can cite some other industries also that are suffering because of the so-called reciprocal trade agreements.

But getting back to my real point, it is the duty of Congress to levy tariffs and we should again assume it. We can do this if we will vote to put into effect real reciprocal trade agreements that are considered fairly and made fairly and enforced fairly.

We the Republicans first established reciprocal trade agreements, and they were truly reciprocal. What was then our basis? Mr. Chairman, the basis was a very simple little formula, very easy to remember. Here is what it was: The difference between the cost of an article at the port of entry and the cost of production of the same article in our country. That is how simple it was, and it worked well.

About 65 percent of all commodities that come into our country today come in duty-free. We by this action give a

tremendous concession to practically all the countries of the world. But as I say, under the Republican administration we provided a system of sliding scales that would rise or fall only with the cost of production. That is what we applied against Japan when Japan paid wages of about 10 or 12 cents an hour and we were paying a dollar or a dollar and a half an hour. Nevertheless we told them and told all the countries of the world that they could bring their goods to our ports and we would admit them to the country if they would pay a duty equal to the difference between their cost of production and our cost of production.

We talk about the Tariff Commission today, our Tariff Commission might just as well be out of business as far as anybody's paying any attention to it unless it be a professor or somebody who wants to get some figures. That is about all they do. They are competent individuals, expert men in their fields, non-partisan, but that has nothing to do with it because the President and his men have taken over the matter of fixing all tariff rates.

Some say that you can go down there before the Committee for Reciprocity Information and get fine service. This is not in line with much testimony given before the Ways and Means Committee. The same can be said of the Trade Agreements Committee. These Committees operate under the guidance of the State Department with the purpose of pleasing the New Deal administration. They are creatures of the New Deal and are thorough in their knowledge of New Deal technique. The treatment that the average producer who wishes to complain receives is not in tune with the average business ethics of our country; it is not fair, it is not honest, it is not sincere. Some of you are lawyers. When you go into court and present your case and file your brief you expect an opinion some time and you expect the court to say why he did this or why he did something else. And you usually get an opinion which is decisive and the court will give a reason for what he has said and done. But the businessman who appeals to these executive agencies seldom gets any report and never any reasons. He does not know who reads his application and who passes on it. It goes to the President eventually and the President does just about as he pleases with it. That is about what happens, the complainant gets no serious consideration. That is not American, it is not fair, it is not decent. Something ought to be done about it but you cannot do anything about it unless you restore the Tariff Commission to the dignity which it ought to have. This proposed legislation should be amended severely and if not amended to restore the tariff making functions to Congress it should be defeated.

I remember well the time when Mr. Cordell Hull came before the Committee on Ways and Means with his reciprocal trade agreements bill. He was then the Secretary of State. He had been a Member of Congress and also a member of the Ways and Means Committee. He was an ardent free trader.

I want to respect him for his patriotism and for his ability, and all that;

but when he came before the Ways and Means Committee in 1934 I was a member of the committee then. At that time he was not too anxious to observe all the amenities and to show the courtesy that a Secretary of State is usually expected to show. He took a position of infallibility and showed some impatience when anyone questioned the soundness of his arguments. His whole argument was that his method of dealing with foreign trade was the only method and that if we failed to follow his course war would be inevitable. He practically maintained that the only way to prevent a world-wide war was to adopt his so-called reciprocal trade agreements bill. He thought that the only way to prevent war was for us to give our markets away to the other countries, many of which were opposed to us in every way. The New Deal administration put every publicity agency of the country that it could control to work boosting the Cordell Hull trade agreements as the great preventive of war. Many people are still inclined to believe this fallacious piece of advertising in spite of the fact that nearly all the time since Mr. Hull presented this fallacious theory our country has been in a war or been operating under threatening war clouds.

Mr. Chairman, I am tired of seeing the resources of our country wasted on impractical experiments. I tell you, I have about come to the place where I am tired of giving everything away. This situation is more serious than many think it is. We have about come to the end of the road with these expensive and insecure policies.

They tell us that there is no industry that has ever suffered by reason of the discrimination of these trade agencies. Come out into my country and visit the potteries in my State and tell some of those people that trade agreements have done them no harm and wait to hear what they say. Or better yet read the testimony given before the Ways and Means Committee by a number of industries that have been driven well-nigh into bankruptcy. If the tariff had been effective and beneficial those industries would not be in such distress as they are today. But I realize that such arguments to New Dealers are just like sowing seeds on the rocks; there is no soil in which they can germinate.

Come out to my State and meet the glass people, if you will. You will find them to be typical Americans who love their country and would like to make a living, as they have always done. You will find there company after company folding up and going out of business. They have worked and planned, but the Government that they have and yet respect has taken from them this opportunity and has given it to the people of some other countries that are killing our boys in a war. These glass and pottery workers are fine American citizens who live in their own homes, but they have to compete with Czechoslovakia and other communistic countries. They have to compete with China and all the other countries of the world that make chinaware, many of whom are now at

war with us in spirit if not in actual combat.

Let me give you an illustration of how this trade-agreement plan fails to work. A man told us a story in committee the other day. He is the greatest producer of tableware in America. He is a great man, very intelligent, a good fighter, but his business has gone down. He told us one day he went through Pittsburgh and noticed in a big department store there a fine dinner set. He thought it was one of his make. So he decided to go in and get acquainted with the man who was selling his dinner sets. He went in and said, "I see you have a fine dinner set in your window." The man said, "Yes."

"How much do you get for it?" the manufacturer asked.

I do not know the exact figures involved, but we will say \$125.

The store operator said, "\$125." The visitor then said, "Why, that is my production cost. You could not sell it at that price. They should sell for about \$200."

The department-store man said, "Let us go down and see."

They went down and found that the dinner set had been made in Japan. It had been made to imitate the product of this American manufacturer. It was the same pattern. The manufacturer did not know it from his own product. But, of course, he was chagrined to see the deception that was tending to put him out of business and his men out of work.

What are you going to do about cases like that? Those of you who support this New Deal deception cannot honestly say that nobody has been injured by this system, because I say to you there have been many injuries. You ask me to prove it. Well, that is like I said before, why go before a packed group or board to prove a thing when you know that board will not pay any attention to you, you know they will not give you any consideration. They have repeatedly done so. We have testimony, an abundance of it, to prove what I am saying.

Let me go on to watches. There are no watches produced in my part of the country, so I can speak about that only from what they tell me. If you want to read a masterful presentation of the injustice that has been done to the watch industry of the Nation, read the testimony in the RECORD of the hearings on this bill. Other members of the committee will touch on that subject and no doubt will go into detail with facts and figures.

Last year the fisheries came in before our committee. They came from both coasts, the Atlantic and the Pacific, and protested vigorously.

There is a general protest rising up in a great crescendo all over the country. But our little President puts his foot down and refuses to yield the power that has improperly been given to him. There are some who say, "It is all right; this is all right." But it is not all right. Somebody is suffering every day.

Mr. Chairman, I will not have time to discuss the peril points nor these other very important propositions, but they will be ably discussed by others who will address this body. I want to say most

emphatically again that this wrongful assumption of power by the Executive is a very important matter. We, the Members of Congress, have the duty to hold for Congress the rights that the Constitution gives it. This is our day and generation. We should not by reason of blind partisanship or political expediency yield the power to protect the rights of the people, which is our plain duty.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MILLS. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I have requested this time to advise the Members of the House that the announcement heretofore made that this bill will be taken up under the 5-minute rule on next Monday has been changed to next Wednesday. There are certain circumstances I was not aware of at the time the announcement was made. So I repeat, the bill will be taken up under the 5-minute rule on Wednesday next.

Mr. MILLS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, one of the greatest advances this country ever made in its history was in 1934 when the Congress passed and the President signed the so-called Reciprocal Trade Agreements Act. Since that time the influence of the Congress of the United States has tremendously increased in all areas and portions of the world, since that time we have had greater prosperity in the United States, since then business has prospered more than ever before and since then we have accomplished and achieved better relationships and more good will throughout the world. That is an important consideration, Mr. Chairman, and if we did go back to what some have suggested, to this sort of behind the iron curtain, where our expanding business would have no markets in other areas of the world where they could sell their products, it would have an effect upon every business in this country; it would have an effect upon the workingmen of this country, and it would have an effect all over the world in bringing us down to a lower standard of living.

Mr. Chairman, something has been said about a suggested amendment, an amendment which was sought to be put into effect 2 years ago, which was known popularly as the so-called peril point amendment. This amendment will be offered, I understand, by one of my colleagues on the Republican side of the House. This afternoon I would like to take just a little bit of time to tell the membership of the House, and perhaps the country as a whole, why I think the peril-point suggestion is not a good one.

The fact is that this so-called peril-point proposition would bring into operation of the reciprocal trade-agreements program rigidities which would cripple and hamstring a proper administration of the program. It would be in effect giving notice to the world that the United States does not favor a continuation of a policy of good will and good neighbor-

liness and expanding trade with other nations of the world. The peril point amendment would introduce a number of rigidities into the method of formulating recommendations to the President about proposed tariff concessions.

One of the first rigidities is that in practical effect the extent of the recommendations would be controlled by one agency of the Government. That agency would be the Tariff Commission. At the present time the trade agreement committee is made up of the Secretary of Defense, the Secretary of Commerce, the Tariff Commission, the Agricultural Committee, and others. I think there are about seven different agencies of the Government involved. So when that trade agreements committee meets we have a broad sweeping knowledge brought to the conference table of what effect the trade concession might have, not only the effect on imports, but the effect on our exports.

We cannot in these days, Mr. Chairman, go back to the system that was in effect during the days of President McKinley and build a stone wall around this country and not export anything, and that is exactly what would happen if we repeal this trade-agreement program. What country is going to buy products of our great manufacturers when we do not buy any products from them? What businessmen could go into business and simply sell things and nobody buy anything? That, in effect, is what those who are opposing this program would have us do.

Now, another rigidity in that so-called peril-point amendment is that the Tariff Commission would be required to fix, mind you, accurately and with precision the exact point below which a tariff rate could not be reduced or the exact point a tariff rate would have to be increased in order to prevent the causing or threatening of injury to a so-called domestic industry. I submit, Mr. Chairman, it is simply a practical impossibility for a single agency of this Government to fix a precise and exact point wherein tariffs could not be lowered any further.

Another rigidity is that the Tariff Commission decision on the peril point would have to be made without the benefit of discussion or consultation with other agencies of the Government, some of which agencies, like the Department of Commerce, the Department of Defense, and the Department of Agriculture, really have particular knowledge of the facts. They have the qualifications to make the judgments on the probable effects of a tariff concession on particular products. They have fields of interest where they know very, very many times more than the Tariff Commission could ever hope to find out about various products. So it just would be an impossible factor for a Tariff Commission alone to arrive at.

Another rigidity in this peril-point determination is that it must be made by the Tariff Commission in advance of any consultation, in advance of any negotiation, without the benefit of any facts that may be developed around the conference tables with the different countries. We all know that when nego-

tiations are held we get the benefits of the advice of the experts of other countries, and we get the benefit of the advice of experts in this country, people who have special qualifications to understand the effects of them. As I said before, we have all these various departments that have special knowledge of the facts in their field.

Another rigidity, Mr. Chairman, is this: In cases where the Tariff Commission would fix a so-called peril point, what would actually and practically happen? The Tariff Commission would always fix a point that was extremely safe. They would not want to take a chance and perhaps fix a point that was low, for fear of being criticized, so they would play safe. The result would be, as I think I indicated a few minutes ago, that some of these countries that are selling us some goods would simply become discontented with our trade methods, they would refuse to buy any of our goods, and our export business would decline, with a bad effect on every working man and woman in this country, because you cannot let the economy of a country deteriorate without affecting practically every business in this country.

Another rigidity, Mr. Chairman, is that if the President should go beyond this so-called peril point which was fixed by the Tariff Commission he would be compelled to publish that to the Congress. The result of that would be that the country which had a peril point fixed to its disadvantage would feel hurt, it would be disappointed. The consultations would become public. The negotiations would be open to all the world. If these negotiations become public, it puts the United States at a disadvantage and you perhaps put other countries at a disadvantage. As we all know, negotiations that are held prior to the making of a contract or an agreement are not permissible in court. Some people say, "We will make these consultations public," but you can see that if the jury knew of all previous negotiations, if it had the benefit of all the negotiations and proposals and counterproposals and propositions that were made, it would not be in a position, perhaps, to render a true and a just verdict. It simply would not work in actual practice. Under the amendment which was in effect, if one peril point was discarded the President would be compelled to publish the entire list of peril points. This would upset our trade balance tremendously. I wish I had before me a list of the business organizations and a list of the outstanding businessmen in this country who feel that this trade-agreements program is really one of the things responsible for the United States being the leader in the world today. It helped that situation to come about. When we started this program in 1934 it helped us out in South America with our good-neighbor policy and it helped in all the European countries, and is still helping today.

I wish you would keep in mind, if you can, that we cannot put a barrier around this country and manufacture a lot of material and sell it to the outside world unless we buy some items from the outside world. That is the stark, naked fact that everybody should have in mind

when we come to the final vote on this proposition.

Mr. Chairman, this peril-point proposition was advocated in the first place by those who have always opposed this program in its entirety. It is just one of those suggestions which will hamstring the proper operation of the act. It will be notice to the world that the United States is changing its foreign policy and does not have the intention of spreading good will and spreading our products all over the world.

I sincerely trust that when the vote comes on the so-called peril-point amendment, that the amendment will be defeated and the bill be passed so that our foreign affairs and our foreign relations can continue to make the progress that has been made in the last 17 years.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. CURTIS of Nebraska. The gentleman referred to experts who sat down and arranged these tariff duties for the United States. Who are these experts?

Mr. EBERHARTER. The Department of Defense, the Department of Agriculture, the State Department, and the Department of Commerce are represented, and on these committees are persons who are specially qualified to know about these different businesses and to know what impact a change in the tariff rates would make.

Mr. CURTIS of Nebraska. What committees are you referring to?

Mr. EBERHARTER. To the trade committees.

Mr. CURTIS of Nebraska. I understand you are talking of the group that sits down and meets with the foreign country.

Mr. EBERHARTER. The Trade Agreements Committee, yes.

Mr. CURTIS of Nebraska. Or are you referring to the group that actually negotiates with the foreign country?

Mr. EBERHARTER. Yes, my understanding is that that group is actually meeting right now in Europe to see whether they can obtain any more concessions from their countries so that our businessmen can export more and perhaps in return we will give them a consideration or two.

Mr. CURTIS of Nebraska. I understand that they meet. But what is surprising to me about your statement is that you said they are experts. I wish you would put in the RECORD the name and address of these so-called experts, what they are expert in and something of their history which makes them an expert.

Mr. EBERHARTER. I think I can obtain that detailed information for the gentleman.

Mr. CURTIS of Nebraska. I am referring to those individuals who actually negotiate with the foreign countries.

Mr. EBERHARTER. Does the gentleman mean those who are at this meeting now in Europe?

Mr. CURTIS of Nebraska. I do not care when they meet. If they are experts I would like to have that information, and you qualified them as experts,

Mr. EBERHARTER. That information is as follows:

UNITED STATES DELEGATION TO THIRD SESSION OF THE CONTRACTING PARTIES TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE, AND TARIFF NEGOTIATIONS (ANNEXY, FRANCE, APRIL 8 TO AUGUST 26, 1949)

Chairman: Woodbury Willoughby, Chief, Division of Commercial Policy, Department of State, and Chairman, Interdepartmental Committee on Trade Agreements; Vice Chairman: John W. Evans, Director, Commodities Division, Office of International Trade, Department of Commerce.

Delegates: Philip Arnow, economist, Department of Labor; Prentice N. Dean, Division of International Programs, National Military Establishment; Laurence Harris, Chief, Trade Section, Office of the Special Representative, Economic Cooperation Administration, Paris; Iver Olsen, Assistant Chief, Commercial Policy and United Nations Division, Department of the Treasury; Robert B. Schwenger, Chief, Regional Investigations Branch, Office of Foreign Agricultural Relations, Department of Agriculture.

Advisers: George Bronz, special assistant to the General Counsel, Department of the Treasury; Honore M. Catudal, advised, Division of Commercial Policy, Department of State; Carl E. Christopherson, Foreign Service office, Office of International Trade, Department of Commerce; Floyd E. Davis, acting head, Livestock and Wool Division, Office of Foreign Agricultural Relations, Department of Agriculture; Walter Hollis, assistant to the legal adviser, Department of State; Lionel C. Holm, Executive Assistant to the Administrator, Production and Marketing Administration, Department of Agriculture; William R. Johnson, Deputy Commissioner of Customs, Bureau of Customs, Department of the Treasury; H. P. MacGowan, adviser on Trade Agreements Policy, Office of International Trade, Department of Commerce; F. A. Motz, Attaché, American Embassy, Paris; Vernon L. Phelps, adviser on European Commercial Affairs, Division of Commercial Policy, Department of State; George B. Rogers, agricultural economic statistician, Bureau of Agricultural Economics, Department of Agriculture; Lt. Col. Lester F. Schockner, United States Army, Civil Affairs Division, Department of the Army.

Tariff negotiating teams:

Denmark and Finland: Prentice N. Dean (head), Division of International Programs, National Military Establishment; Julean Arnold, Jr., Division of Commercial Policy, Department of State; H. P. MacGowan, adviser on trade agreements policy, Office of International Trade, Department of Commerce.

Sweden: Avery P. Peterson (head),¹ counselor, American Embassy, Stockholm; H. Arnold Quirin, Division of Commercial Policy, Department of State; Grant Olson, analyst, Scandinavian Section, Office of International Trade, Department of Commerce.

Italy: Homer S. Fox (head),² counselor, American Embassy, Ottawa; John M. Kennedy, Division of Commercial Policy, Department of State; Carl E. Christopherson, Foreign Service officer, Office of International Trade, Department of Commerce; Howard F. Shepston, analyst, Italian Section, Office of International Trade, Department of Commerce.

Greece and Liberia: Horace H. Smith (head), first secretary, American Embassy, Athens; C. Thayer White, Division of Commercial Policy, Department of State; Samuel Goldberg, Acting Chief, Near East-Africa Sec-

¹ During the latter part of the negotiations, after Mr. Peterson's departure, H. Arnold Quirin was head.

² During the latter part of the negotiations, after Mr. Fox's departure, Iver C. Olsen was head.

tion, Office of International Trade, Department of Commerce.

Dominican Republic and Haiti: Daniel M. Braddock (head), first secretary, American Embassy, Madrid; Amelia Hood, Division of Commercial Policy, Department of State; Albert J. Powers, Chief, Caribbean Section, Office of International Trade, Department of Commerce.

Colombia, Uruguay, and Nicaragua: Howard H. Tewksbury (head),³ Chief, Division of River Plate Affairs, Department of State; Elizabeth McGrory, Division of Commercial Policy, Department of State; William F. Gray, Division of Commercial Policy, Department of State; Anthony J. Poirier, tariff and trade agreements specialist, Office of International Trade, Department of Commerce; Frederick R. Mangold, Foreign Service staff, Office of International Trade, Department of Commerce.

Consultants: Ben Dorfman, chief economist, United States Tariff Commission; G. Patrick Henry, economist, United States Tariff Commission; Adolph B. Horn, American Embassy, Habana; Willard W. Kane, commodity specialist, United States Tariff Commission; Hyman Leikind, commodity specialist, United States Tariff Commission; Allyn Loosely, principal economist, United States Tariff Commission; David Lynch, principal economist, United States Tariff Commission; Edwin G. Martin, General Counsel, United States Tariff Commission.

Commodity specialists: Nathan D. Golden, Chief, Motion Picture-Photographic Branch, Office of International Trade, Department of Commerce; Thomas C. Mason, commodity analyst, Forest Products Branch, Office of International Trade, Department of Commerce; William H. Myer, Assistant Chief, Machinery and Motor Products Branch, Office of International Trade, Department of Commerce; Nathan B. Salant, Chief, Economic Program Section, Textile and Leather Branch, Office of International Trade, Department of Commerce; George A. Sallee, Chief, Dairy, Poultry, and Fish Products Section, Office of International Trade, Department of Commerce.

Secretariat: Special Assistant to the Chairman: Arthur C. Nable, Division of International Conferences, Department of State.

Technical: Technical secretary: James H. Lewis, Acting Assistant Chief, Division of Commercial Policy, Department of State.

Trade Agreements Committee staff: Robert W. Shaw, Committee Secretariat Branch, Department of State; George C. Spiegel, Division of Commercial Policy, Department of State; M. Marguerite Dotye, International Trade Economist, Department of Commerce; M. Margaret McCoy, Division of Commercial Policy, Department of State; technical assistant: Dorothy M. Quilty, administrative officer, United States Appraisers Office, Department of the Treasury; statistical assistant: Evelyn F. Brooks, Division of Commercial Policy, Department of State; administrative: administrative secretary, John T. Forbes, Division of International Conferences, Department of State; administrative assistant, Leonard H. Brody, Division of Central Services, Department of State; document assistant, Helen L. Brewster, Office of International Trade Policy, Department of State; security officer, Richard T. Ewing, assistant attaché, American Embassy, Paris; fiscal officer, Robert B. Stitt, Division of Finance, Department of State; fiscal clerk, Mildred C. Trescott, Division of Finance, Department of State; code clerk, William L. Black, Division of Communications and Records, Department of State; George R. Bobby, American Embassy, Copenhagen, Denmark; Robert E. Morrell, American Embassy, London, England; Robert W. Nichols, Division of Communications and Records, Department of State.

³ During the latter part of the negotiations, after Mr. Tewksbury's departure, Philip Arnow was head.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. STEFAN. As I understand, this committee on reciprocal trade is made up of interdepartmental experts.

Mr. EBERHARTER. That is right.

Mr. STEFAN. The question I want to ask is when do the businessmen appear before the interdepartmental committee to state their case—after the London meeting or is it before they go to London?

Mr. EBERHARTER. A list is published of the various items on which the United States might be willing to negotiate. That list is published. Then any interested business can appear before a committee and present its case in the best light possible, to show whether or not any harm would be done to that particular industry in case a concession is made.

Mr. STEFAN. That is what I am interested in.

Mr. EBERHARTER. That is before they meet with the other nations.

Mr. STEFAN. I am very glad to know that. I know there are two meetings. There is a meeting in some foreign country, either France or England, and there is also a meeting down in the department where the businessmen of the country are called in to state their case to the interdepartmental committee. Has that interdepartmental committee met with the businessmen and held that meeting?

Mr. EBERHARTER. The list is published about 4 months before the actual meeting in the foreign country, and in that 120 days businessmen can appear before the committee here in the United States, present the facts concerning their particular industry or their particular product.

Mr. STEFAN. Has that meeting already been held in the United States?

Mr. EBERHARTER. Yes, sir.

Mr. STEFAN. And therefore the businessmen of the United States have been put on notice that the Reciprocal Trade Agreement Act is going to be extended for 3 years?

Mr. EBERHARTER. Yes.

Mr. STEFAN. And they appeared before the interdepartmental committee and stated the various problems they are up against or have been during the past 2 or 3 years, and the businessmen have made their case before the committee, and then the interdepartmental committee and their experts have gone to Europe to see what trades they can make in the foreign country? Is that the mechanics of it?

Mr. EBERHARTER. That is the mechanics of it.

Mr. STEFAN. So that the businessmen of the United States have already had their day in court?

Mr. EBERHARTER. Oh, yes. That is set out rather completely and in detail in the hearings.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. EBERHARTER] has again expired.

Mr. PATTERSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. PATTERSON. Mr. Chairman, the issue before Congress at this time is not what it is labeled; it is not reciprocal trade, which concerns us, but a further lowering of protection for American workers and American industries.

The title of the legislation is a sham. There has been no reciprocity in this ill-advised program. As is customary in all our dealings with other nations—we give and they take. Higher trade barriers are being erected by other countries while we lower ours. They disguise their trade restraints as import quotas and licensing agreements. We make concessions and other nations make it more difficult for us to trade with them.

The Trade Agreements Act is a sell-out by the Democrat Party to big business and the free traders of the South. The workingman and the small-business man are pushed aside—and their interests are forgotten. Let us remember that the worker and the small-business man paid the bulk of the taxes to finance ECA and other relief programs. These programs rebuilt the industrial capacity of foreign nations who are now privileged to compete in both domestic and world markets with cheap or slave labor. We are asked to compete against our own tax money, and to grant favored treatment to our competitors.

Czechoslovak rubber footwear—hats and pottery produced by slave labor are sold in America more reasonably than they can be produced here. Russian furs and Red Chinese dried eggs find ready markets in the United States because they are cheaper than the domestic variety. English and German steel and cutlery manufacturers can undersell the American producer.

Many big business firms support this trade program as they export much of their production. The small firm confined to the American market suffers because its plight goes unheeded.

Proponents argue that we must import to survive. This simply is not true, as we now import more than we export. In both August and October of 1950 imports exceeded exports substantially. This happened even while tremendous shipments were being made under Government sponsorship in connection with ECA, Army civilian supply, and mutual defense assistance programs.

I have in the past fought for "peril point" and "escape clause" amendments feeling that with them the trade program might be workable. Sufficient evidence has now been gathered to demonstrate clearly that even with these amendments the trade program will not benefit the citizens of the United States.

The Fair Deal administration has no intention of safeguarding the working people of this country, and I shall not support this ill-conceived program.

Many of our economic ills can be traced to this program. Expansion of industrial capacity for this Nation's growth has been stymied because of it. The sole beneficiaries are the monopolies

and cartels abroad. I am not in Congress to acquiesce in the liquidation of American industrial life—but to assist in preserving jobs for the people of this Nation. Let others concern themselves with subsidies for foreign industries—I want the American worker to have a square deal first.

Mr. CURTIS of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, we have been told this afternoon of the great prosperity which exists in this country. It has been stated that the reciprocal-trade-agreements program plays a substantial part in the measure of prosperity which some may enjoy. We all know that the prosperity, factual or fancied as it may be, which we have today rests upon the blood of American youth who have died and are dying overseas, and on the preparation for further war, and on the expenditures to repair the damage brought on as the result of war. So long as this type of expenditure continues we will have the false prosperity we have today.

If the Democratic Party favors this type of prosperity and expects the country to engage in wars periodically, and will agree to keep this country continuously preparing for war, and will agree to continue repairing the damages of future wars, we will continue to have the same kind of prosperity we have today. Prosperity through war and inflation has wiped out the real value of the savings of the American people. No, Mr. Chairman. This reciprocal-trade-agreement policy, sold to the American people by the internationalists as a solution to international discord, has today turned about and is one of the causes of why we are not properly prepared today.

The trade-agreement program has failed utterly to wipe out the restrictions and the limitations imposed by foreign countries upon free trade which appears to be the goal of the internationalists in our State Department today and the announced purpose of the trade program. Today, 17 years after this law began to operate, there are more limitations, more restrictions upon the free interchange of manufactured goods and agricultural products between nations than there were 17 years ago. This program has failed. Its failure is proved by the fact that when expenditures for war and associated purposes decreased, the effect of imports was immediately noted, and severely damaged certain of our important industries. Only about 1 year ago our unemployment amounted to almost 5,000,000, and loud cries were made to curtail imports. Labor was greatly concerned, and dozens of labor organizations, at that time and at the present time, oppose the administration and extension of this act. Representatives of these men who lost jobs prior to the resumption of war preparations came before our committee last week pleading for relief from this insidious policy under the Trade Agreements Act. They ask that the Congress of the United States do something to assure their industries, wherein skill is the first requisite, be preserved.

I said earlier that the trade-agreements policy has brought us to a point where our defenses are inadequate. In one of those areas real suffering prevails. In Korea today, because of our trade-agreement policies, young men are freezing in subzero temperatures; their legs and arms have had to be amputated because of the shortage of proper clothing; because wool was not available to them in the form in which it could be used to keep men warm, and because the great wool industry, in which millions upon millions of the sheep which provided that wool, has been liquidated under the trade-agreement policies. Today more than two-thirds of the wool we need comes from abroad. Today the flocks of sheep from which we formerly got our wool are at the lowest point in all history; and those trade agreements cutting down the price of wool below a level at which the sheep could be profitably grown here. This is the result of the negotiations of our Department of State, headed by Mr. Dean Acheson, who has been wrong before with respect to the question of war, and who I submit is wrong again. After our killing this industry here, the foreigners on whom we depend have raised the price of wool to its highest price in history.

Consider other industries—and these about which I am going to speak employ only a few hundred thousand men, if that many—but consider their strategic importance today as we prepare for war. Without the production of these industries we must import vital war materials from overseas. Consider the watch and clock industry, and remember that in time of war skilled specialists manufacture the timepieces without which no airplane can fly, without which guns cannot properly be fired, producing thousands of units which are used for the detonation of certain of our shells, and so on; and realize that that industry has been traded down the river to such a degree that one-quarter of the industry has been eliminated within the past year or two. Today we need skilled men capable of manufacturing an important type of mechanism that is delicate and very much needed. The craftsmen of this dying industry are the men to do it. I realize it is true that our remaining companies manufacturing watches show a profit in their dollar profit-and-loss account, but the industry has not expanded at all; on the contrary it has been reduced by 25 percent, and today we have to turn abroad and risk the hazards of overseas transportation in order to secure watches and the various time mechanisms we need. Right there the trade-agreement program is hurting us seriously in connection with this question of preparation for war.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. As the gentleman knows, I come from a district in which 20,000 people are engaged in the manufacture of shoes. About 6 months ago the State Department came forward with an idea that proposed the scrapping of what is known as the

American selling price and substituting in its place a foreign selling price, thereby enabling Japanese shoes to be shipped in for about 35 cents a pair in competition with shoes which the people in my district could only produce at 95 cents a pair. This is also true as applied to countries behind the iron curtain.

May I ask the gentleman if there is any disposition in this bill to scrap the American selling price in favor of another system which would enable Japanese shoes and shoes made behind the iron curtain to be shipped in here in competition with the people who work in my district?

Mr. SIMPSON of Pennsylvania. I know of nothing that would make the change to which the gentleman refers. I do know, however, the practice is to permit the Japanese, at their hourly average wage of perhaps 20 to 25 cents, to ship into this country all kinds of any goods they care to ship in competition with American produced articles. That is the policy.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. HOFFMAN of Michigan. Mr. Chairman, I withhold the point of order until the gentleman has concluded his statement.

Mr. REED of New York. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I referred to two items on the critical list, both of which have been and are adversely affecting our war effort, one being timepieces and the other being wool.

Another one is the great chemical industry. Gentlemen appeared before our committee and testified that if cuts are made in the items now before the negotiators abroad the expansion of the chemical industry here in our country, so vital for the further conduct of the war, will be curtailed. That industry will be hurt to such an extent we will be dependent upon imports for essentials in the manufacture of our own munitions, clothing for our soldiers, and many other items important in the conduct of war. That industry is so alarmed that in response to direct questions it was stated they could not get capital with which to expand their industry from private individuals in order to increase production they know will be necessary in time of war. They will have to turn to the Government for money, turn to the taxpayers, to build and to expand that industry, instead of depending on the American way of doing it through the free-enterprise system.

A trade agreement today is threatening that industry with substantial extinction because they can and do produce those chemicals in Germany and other countries just as well as they do here. The great German chemical industry is revived by ERP funds and is taking over the American market.

I come now to a fourth critical industry for war purposes. The representatives of that industry, the industry composed of companies that manufacture binoculars, microscopes, range finders, and many other precision optical items in time of war told us that since the threat of war the industry has been asked to expand 40 times in order to make sufficient of these items. They do not have the trained men to so expand.

The trade agreements as administered in the past several years have so cut the tariff protecting this vital industry that in the past year 68,000 binoculars were brought in from Japan, many thousands from Germany, and other thousands from other countries. These could have been made here. It is a sad commentary that our Government purchased thousands of dollars worth of these products made in Italy and elsewhere overseas by cheap labor. This has the effect of cutting down planned expansion of the industries in question, of creating again the hazardous circumstances wherein we in this country are again dependent upon imports for the necessities to conduct our war, imports which our skilled men here can make better than they can be made abroad if given a chance.

I charge that, with respect to our four great industries, producers of timepieces, producers of chemicals, growers of wool, and producers of optical glass items, the trade-agreements program is directly responsible for the shortages of these products so vital in the conduct of war. We are in a dangerous situation and are forced to depend on imports now and, at great expense and inefficiency, to expand these industries. The negotiating boys from the State Department, untried in the business and military world, acting under congressional powers delegated to the President, evidencing a complete lack of realism to the welfare of our country, are responsible for the critical position of the country due to a shortage of these items. Congress should never have delegated this authority to the President which he, in turn, entrusts to Mr. Acheson. The risk to our country is too great, and Congress should recall this delegation immediately by defeating the bill now before us.

Should an enemy to our country seek effectively to damage us and seek to make us impotent in time of war, he would do it by striking us in the critical materials area. There have been men in our Government service concerned with the making of the trade agreements to whom the welfare of the United States did not come first. One of those instrumental in making these agreements, representing our Department of State, was Alger Hiss. Is it not significant that among all the complainants of the ill effect of the trade-agreements negotiations these four critical industries are the most outstanding and have suffered the greatest injury proportionately?

This is too dangerous a power to rest with the Executive and to be delegated by him to others.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from New Jersey.

Mr. HAND. I would just like to suggest, Mr. Chairman, to my distinguished friend, that while he is talking about the optical glass industry, he might well talk about the entire glass industry in this country, which has a total value of approximately \$250,000,000, which is highly strategic and highly necessary to the war effort, because, among other things, the manufacturers of ampules for the retention of medicine and antibiotics and the entire glass industry of this country, 9,000 workers of which are employed in my congressional district, have been and continue to be threatened by these reciprocal trade acts which are improperly administered by representatives of the State Department.

Mr. SIMPSON of Pennsylvania. I am sure the gentleman is correct, and I thank him for his contribution.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman has made a very instructive statement and has shown how this program is interfering with American production. Now, am I correct in assuming that under point 4 as urged by the President we would be furnishing the dollars to instruct these people abroad to improve their methods of production, and that the competition will become greater yet than the gentleman has mentioned?

Mr. SIMPSON of Pennsylvania. Oh, yes, and after they build their plants with our dollars they impose embargoes so that we can no longer ship into their country, while we have reduced our tariffs to permit them free access to our markets.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from New York.

Mr. REED of New York. I want to utter the fact that Poland, behind the iron curtain, is shipping in glass, paint and processed meats so low in the cost of production that our people do not have a chance, no matter how much they improve their technology.

Mr. SIMPSON of Pennsylvania. I thank the gentleman.

Mr. HAND. Mr. Chairman, as I said, it is not only the optical glass industry, but the entire glass industry of this country which either has, or will, be adversely affected by the policies of our State Department, carried on under the authority of law which is now sought to be extended.

I have repeatedly argued this question before, and there is little use in presently laboring the point. It is no exaggeration to say that the present attitude of the State Department is to let American businesses die, if they cannot compete with low wage scales abroad, while at the same time we pour millions into those same foreign industries to enable them successfully to compete.

I would like to call to the attention of the committee the excellent review of this whole subject, published by Mr. O. R. Strackbein, Chairman of the National Labor-Management Council of Foreign Trade Policy. It is worthy of

the attention of all Members before we consider this bill again next week.

At that time I hope I will have a further opportunity to discuss this subject, and particularly my bill which is designed to restore at least some measure of congressional authority with respect to tariff problems.

In its present unrestricted form, this bill should be defeated.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] A quorum is not present.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 10]

Abbott	Fulton	O'Neill
Addonizio	Furcolo	Patten
Allen, Ill.	Garmatz	Philbin
Anderson, Calif.	Gathings	Poage
Angell	Gillette	Powell
Barrett	Gordon	Prouty
Bates, Ky.	Gossett	Ramsay
Bennett, Mich.	Granahan	Redden
Berry	Hall	Ribicoff
Boykin	Leonard W.	Rodino
Breen	Heffernan	Rogers, Tex.
Brehm	Heller	Rooney
Bryson	Herter	Sabath
Buckley	Hill	Scott,
Budge	Hinshaw	Hardie
Burnside	Hollifield	Shafer
Burton	Jenison	Shelley
Busbey	Kee	Short
Celler	Kennedy	Smith, Va.
Chelf	Kersten, Wis.	Spence
Chlperfield	Kluczynski	Springer
Cooley	Lane	Staggers
Corbett	Lucas	Stanley
Coudert	McGrath	Stockman
Cox	Magee	Taylor
DeGraffenried	Miller, Calif.	Thompson,
Denny	Miller, Nebr.	Tex.
Dingell	Mitchell	Velde
Doyle	Morrison	Vinson
Eaton	Moulder	Whitaker
Fallon	Murphy	Willis
Feighan	Murray, Wis.	Wolcott
Forand	Nelson	Woodruff
Fugate	O'Konski	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DEMPSEY) having assumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 1612, and finding itself without a quorum, he had directed the roll to be called, when 335 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. MILLS. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, much has been said in this debate regarding the method of negotiating trade agreements with foreign countries. This principle is not new, and in fact the trade-agreements policy or program has been endorsed by some of the greatest leaders and experts on this subject. President McKinley advocated trade agreements. President Theodore Roosevelt was an outstanding advocate of reciprocal trade agreements. It has come on down to us through several decades of thoughtful men who were experts on foreign trade. This method of negotiating a trade

agreement has been worked out and is a scientific one.

In making decisions under the Trade Agreements Act, the President is required by law to consult the Departments of Agriculture, Commerce, Defense, State, and the Tariff Commission. In practice, he gets a broader range of advice, for he has, by Executive order, set up the Trade Agreements Committee, which includes not only the agencies that he is required by law to consult, but also representatives of the Departments of Labor, Interior, the Treasury, and the Economic Cooperation Administration. From time to time other departments and agencies are consulted when problems of particular interest to them arise.

The first thing done in preparing for negotiations with a particular country is for the Trade Agreements Committee to appoint a country committee composed of officers of the different agencies which have members on the Trade Agreements Committee. These officers are selected because they are experts on our trade with that country. This committee then carefully studies the statistics of this trade and eventually picks out for possible tariff negotiation the products which we import from that country and for which that country is the principal supplier. The committee also chooses those items which that country imports and for which we are the chief supplier. The decisions of this committee are then presented to the Trade Agreements Committee, which sends the list of products to the President for approval.

When the President has approved the list, it is published and a date is set for public hearings to obtain the views of all interested persons and groups as to whether concessions on any of the items should be made. These hearings are held before the Committee for Reciprocity Information, which is composed of the same agencies and the same individuals as the Trade Agreements Committee.

I have had occasion twice since I have been a Member of this body to go with constituents of mine before this Committee for Reciprocity Information. On one occasion we had a product from our district which is only produced in our district. As a matter of fact, I think more than 75 percent of that product that is used in the United States is produced in my district. That product was in the list to be used in negotiating a treaty with Italy and with Spain. Both Italy and Spain produce this same product. I found that the members of the committee were most interested when I made that statement to them, and asked many questions, and went very carefully and very thoroughly into the cost of that product in my district, and what it meant to my district economically. I am very glad to tell you that when the trade agreement was made they did not disturb the tariff on that product.

The Tariff Commission member acts as chairman of the Committee for Reciprocity Information.

Right there I want to make another statement. If this peril-point consideration is adopted, the Tariff Commis-

sion member will not be sitting there, and the group that negotiates the treaty will have lost the benefit of his intricate knowledge of our tariff. The tariff consists, as you know, of hundreds and hundreds of items, and those gentlemen are experts who study the meaning of the tariff as it applies to the economics of these different items.

As I say, the Tariff Commission member acts as chairman of the Committee for Reciprocity Information. After the hearings are concluded, the information received, both orally and in the form of briefs submitted, as well as the information in Government files with respect to each product, is studied by the country committee. The committee makes a recommendation as to whether a concession would be justified. These recommendations are presented to the Trade Agreements Committee, which reviews them item by item and approves, modifies, or rejects them. The Trade Agreements Committee is very reluctant to recommend a concession which any one of its members feels strongly would be likely to result in serious injury. If any member of the Trade Agreements Committee, including the Tariff Commission member, disagrees with the majority decision, he is required to report his dissent, together with the reasons for the dissent, to the President. Consequently, the President actually does obtain, in effect, a peril-point finding in cases where there are serious misgivings in the mind of the Tariff Commission member of the committee or any other member as to the effect of a particular concession.

This system has worked well for 16 years. As I have shown, great care is exercised during every step of the preparations. The final recommendations represent the best judgment of qualified experts in all the branches of the Government which have anything to do with trade agreements. No one agency dominates the proceedings. In every case every member of the Trade Agreements Committee has the duty and is, in fact, required, if he disagrees with the majority view, to file his minority opinion.

If, in spite of all the care which is taken, unforeseen circumstances arise which result in increased imports of an item upon which a concession has been granted, there is the remedy of the escape clause, with which you all are familiar. Action under the escape clause permits us to modify or withdraw entirely any concession previously granted. Such an action recently took place in connection with women's fur-felt hats. This escape clause is administered solely and entirely by the Tariff Commission. Here again, then, the Tariff Commission is in a position to act to prevent injury to a domestic industry.

Under the present system, the Trade Agreements Committee is not required by law to give a guaranty such as the peril-point theory would require of the President in good conscience to give him its best collective judgment. And that judgment, as given in the past, has almost without exception proved to be right.

SAFEGUARDS EMPLOYED UNDER THE TRADE-AGREEMENTS PROGRAM TO PREVENT INJURY TO UNITED STATES INDUSTRIES

Measures to assure that no United States industry will suffer serious injury or threat of serious injury through a United States concession in a trade agreement are provided for: First, in the procedure followed before a trade agreement is negotiated; second, in the individual concessions themselves; and third, in the general provisions of the agreement which apply after the agreement becomes effective.

SAFEGUARDING PROCEDURES EMPLOYED BEFORE AGREEMENT IS NEGOTIATED

Before any concession is even offered by the United States in a trade-agreement negotiation, the following procedures are required either by the Trade Agreements Act itself, or by Executive order of the President.

First. The Tariff Commission, a bipartisan, expert body responsible to the Congress, makes a thorough study of the possible effects of a concession, including competitive factors, with regard to each item on which a concession is being considered.

Second. A list of all items on which concessions may be considered is made public.

Third. Public hearings are held at which any interested person has opportunity to present his views, both in writing and orally, on whether any concession should be offered.

Fourth. Opportunity is given for informal consultation with interested persons or groups.

Fifth. Facts and opinions developed through the Tariff Commission studies, the hearings, and any other available means are closely examined by the Interdepartmental Committee on Trade Agreements, which includes a member of the Tariff Commission, a representative of the Administrator of the Economic Cooperation Administration, and representatives of the Departments of State, Agriculture, Commerce, Treasury, Labor, Defense, and the Interior. This committee was established by Executive order.

Sixth. After considering all available information on each item, the Trade Agreements Committee decides what recommendations it will make to the President as to concessions which might be offered in negotiations. More than 99 percent of these recommendations have been unanimous. If any agency disagrees with the majority recommendations, that agency submits its dissent, in writing, with its reasons, to the President along with the majority recommendation.

Seventh. After examining all available information regarding a given item included a published list, the Trade Agreements Committee may decide not to recommend any concession whatever on that item.

Eighth. The concessions which the President approves form the basis of United States offers in the actual negotiations. No United States concessions are actually made unless adequate concessions from foreign countries are obtained in return.

Ninth. Concessions granted and obtained in the negotiations must be approved by the President before they can be put into effect.

SAFEGUARDS "BUILT INTO" INDIVIDUAL CONCESSIONS

In recommending concessions the Trade Agreements Committee tailors each one to fit the situation of the product concerned and of any domestic industry with whose product the imported article might compete.

First. On certain items the concession may be only the binding of the existing duty rate or existing duty-free status. "Binding" means agreement not to increase the existing tariff on a dutiable item or to impose a duty on a duty-free item. It involves no change in the tariff treatment of the item.

Second. On certain other items the recommendation may be to reduce the duty only 10 percent or 20 percent instead of the full 50 percent which would be possible under the President's authority.

Third. The duty may be reduced on only a specified quantity of imports of the product in question. On any imports over this "tariff quota" the original rate remains in effect. Sometimes a concession provides that only certain quantities of the tariff-quota product shall be admitted at the low rate of duty per month or quarter. This prevents the market from being flooded by large imports under the quota at any one time.

Fourth. The duty may be reduced on only specified types, grades, or value classes of the product in question, the rates on other classifications remaining unchanged. On cotton textiles, for example, the United States has reduced tariffs on high-quality goods which are normally imported from Western Europe, but not on goods of lower quality produced in Japan.

Fifth. In some cases, such as that of fresh vegetables, a reduced duty may apply only during a specified season when domestic products with which they might compete are not being marketed—a seasonal quota.

SAFEGUARDS EMPLOYED AFTER TRADE AGREEMENT IS IN EFFECT

Ever since the Trade Agreements Act was proposed and all through the administration of the trade agreements program, there have been industries which have claimed that they would be injured by the program. There is clear evidence, both in the hearings that precede negotiations and in the congressional hearings in connection with renewal of the Trade Agreements Act, that in very few cases have the fears of injury been justified. However, there are adequate means for preventing or remedying any such injury if it occurs after the agreement has gone into effect.

THE STANDARD ESCAPE CLAUSE

All the trade agreements which have been signed since 1943, including the General Agreement on Tariffs and Trade, have included an escape clause under which any party to the agreement may modify or withdraw an individual concession if it is found that, as a result of

unforeseen circumstances and of the concession, imports of the item in question are occurring in such increased quantity and in such circumstances as to cause or threaten serious injury to a domestic industry. Under this clause the concession may be either partly or wholly withdrawn, a quota imposed on imports, or a rate of duty even higher than that in effect before the concession may be put into effect.

By joint agreement a substantially identical clause was included on October 13, 1950, in the trade agreement between the United States and Switzerland, concluded in 1936.

For the United States, the escape clause action is administered by the Tariff Commission, which makes its recommendation to the President, directly and without participation of any other Government agency.

An industry claiming injury or threat of injury resulting from a trade-agreement concession applies to the Tariff Commission for an investigation and public hearing. If, in the Commission's opinion, a preliminary examination reveals facts warranting a formal investigation, the Commission conducts one and recommends to the President the action, if any, which should be taken.

Although the United States has made concessions on several thousand items in trade agreements that contain the escape clause, only 20 applications for investigations, covering 17 products, have been filed with the Tariff Commission. Five of these are still pending. Of the 15 which have been disposed of, only one—involving women's fur felt hats and hat bodies—was found by the Tariff Commission to justify action. In that case the Tariff Commission recommended withdrawal of the concession and this was done.

The careful application of the safeguards observed before concessions are made and the way concessions are tailored to particular needs are primarily responsible for the fact that need for using the escape clause has been minimized.

REMEDIES OTHER THAN STANDARD ESCAPE CLAUSE

Several trade agreements concluded by the United States before the general agreement contained clauses under which a concession could be modified or withdrawn if it was found that its major benefits were going to some country other than the one to which the concession had been granted, and if serious injury to a domestic industry was occurring or threatened.

The 1936 trade agreement with Switzerland, containing this clause, included a United States concession on certain types of embroidered handkerchiefs. In 1940 it was found that large numbers of such handkerchiefs were being imported from another country and were threatening injury to a domestic industry. The concession was withdrawn.

The 1939 agreement with Canada included a United States concession on linen fire hose. In 1947 it was found that such hose was being imported in large quantities from another country and the domestic industry was being threatened. That concession, too, was withdrawn.

The 1939 agreement with Canada included a United States concession on live black and silver foxes and on fox furs. On the outbreak of World War II several large European markets for furs were closed, and there were considerable increases in shipments of furs to the United States. A supplementary agreement, limiting the number of furs to be admitted to the United States, was negotiated.

In the General Agreement on Tariffs and Trade the United States granted to Canada a reduced-duty quota on potatoes and agreed to increase the quota if United States potato production should fall below 350,000,000 bushels per year. In 1950 the United States sought and obtained from Canada, with the approval of the other contracting parties to the general agreement, a waiver under which the United States is not obligated to increase the Canadian potato quota unless United States production should fall below 335,000,000 bushels.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. SEELY-BROWN].

Mr. SEELY-BROWN. Mr. Chairman, on June 23—a scant few days before President Truman ordered our troops into Korea—I was nominated as the Republican candidate for Representative from the Second District of Connecticut.

In accepting that high honor, I said:

Unemployment—in the city, on the farm, and all the evils that unemployment breeds under its dark shadow—is our most serious domestic problem here in eastern Connecticut. Our every effort must be directed toward the proper solution of this problem. If elected, I shall analyze the issues as they are debated in the Congress with this thought always in mind: Are we helping to provide a job for the man who wants to work? Are we helping to provide job security for the man who is working?

The present abuse of the existing reciprocal trade agreements has resulted in the flooding of the American market with goods made by slave labor behind the iron curtain. This abuse of a principle, which, in its proper form I support, is directly responsible for the shutting down of many of our mills in eastern Connecticut. This abuse must be corrected if we are to provide proper employment for our people.

With this pledge to my people in mind, I rise to discuss the issue before us today. Certainly the times are different now than they were last June. Mothers instead of watching the papers for announcements as to how many days' work would be available for their men or for themselves at the mill, now watch for the latest draft call, and for the latest casualty list.

Certainly now is the time, not only to provide for the lives of our people but also to provide for the livelihood of our people in the days to come.

To do this—to provide for better livelihood for our people—I believe that the present reciprocal trade agreements must be improved. They must be improved in at least three respects.

First, I believe that the peril-point-report provisions as established by the Trade Agreements Extension Act of 1948 should be reenacted.

These provisions originally were adopted in order to do certain things:

1. To furnish competent and expert nonpartisan information for the guidance of the State Department as it determined our foreign-trade program.

2. To safeguard the economic health of industries essential to the national defense.

3. To prevent serious cut-backs in jobs for our workers.

Under the terms of these provisions, the Tariff Commission was required to specify certain points below which, in the judgment of the Commission, it would be perilous to go in making further tariff cuts.

This procedure in no way interfered with the President's authority as delegated to him by Congress to make future trade agreements. This procedure imposed no obligation on the State Department to adhere to the Commission's findings.

I believe that the President should be required to advise the Congress and the people of those items on which tariff cuts have been made if the cuts go below the point the Tariff Commission found would result in serious injury to our domestic workers. The President should be required to tell us exactly why he believed it advisable to go beyond these points.

Second, I believe that the President should be directed to prevent the reduction of tariffs or other trade concessions made in trade agreements with the free nations to imports from Soviet Russia, Communist China, and any Communist satellite country.

I have said before on the floor of the House that I regret that while all the partners in the Atlantic Pact are supposedly uniting to build up defenses against Soviet aggression, some are still supplying the Communist empire with critical and strategic war materials.

In this same vein, I cannot for the life of me see why we should allow our American soldiers to fight and die fighting the Communists in one part of the world while many of the Communist countries enjoy the benefits of our trade concessions made to the world without making a single concession in return.

It is reported that—and I quote:

In the case of Russia, approximately 83 percent of its dutiable imports into the United States from that country in 1949 benefited from reduced rates provided in trade agreements with other countries and 92 percent of the tax-free imports from Russia consisted of products found on the free list in trade agreements with other countries.

We cannot, we must not, tolerate a condition of our own creation which results in our fighting the Communists in Korea on the one hand and encouraging on the other hand imports from Communist countries which compete with the products of our own domestic labor. The least we can do is to insist that imports from behind the iron curtain pay a full rate of duty. We are asking our boys in Korea to pay their full share of duty, are we not?

Third, certain standards should be established by the Congress to guide the President in providing relief under a so-called escape clause.

In 1934, the Congress delegated to the President the authority to enter into trade agreements with other nations. At this time, no provision was made for escape from serious economic injury to our own domestic industries. Since 1943, however, practically all trade agreements contain a so-called escape clause.

As has been stated here on the floor before, by others, the peril-point report helps prevent anyone setting the barn on fire; the escape clause provides some hope for those inside the burning barn to get out and survive.

As we face the difficult days that lie ahead, I hope that our friends will like us, not just for our money, but more importantly, for the principles in which we believe.

I believe in and shall support the principle of the reciprocal trade agreements. I recognize that since this principle was first adopted by the American people we have had very little opportunity to study its workings under any peacetime economy. I can support this measure with much better conscience if the suggested amendments I have listed above are adopted. If these amendments are defeated, I hope that those in charge of our foreign-trade program will carefully consider why these amendments were offered.

Certainly this is the time for a clear statement of fact and principle.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the purpose of the bill, H. R. 1612, now before the House, is to extend the authority of the President to enter into foreign trade agreements, under section 350 of the Tariff Act of 1930, for an additional 3 years from June 12, 1951.

Trade agreement resulting from negotiations of the past 16 years are now in effect with 45 foreign countries. The purpose of the law as it was originally presented to Congress for enactment was to encourage trade between our country and the other countries of the world. This basic principle was praiseworthy. However, the administration of the law by the State Department has been in many respects very unsatisfactory. There have been too many instances under the agreement entered into, where industries of this country have had to meet the competition of products manufactured or produced by underpaid labor in foreign countries. This has resulted in hardship for the affected industries and the workmen of our own country. We cannot maintain our standard of living and successfully compete with foreign products that result from the low-scale wages prevalent in foreign countries. In all our efforts to assist foreign countries we should be realistic and consider the effect on our own workmen and their standard of living. To do otherwise is to improve conditions abroad at the expense of the standards prevailing in this country. The fact that the officials of the State Department charged with the administration of the law, have not always recognized this fact is in my opinion a just cause of complaint.

Severe criticism has also been directed to the administration of the law for failure to permit interested parties, including representatives of workers in affected industries from having full opportunity to appear and argue their case before determination is made. Under the procedures followed interested parties are kept in the dark. They do not know what is claimed by their foreign competitor, or, in some instances do not know what articles are being considered by the State Department. This procedure, with respect to American manufacturers and workers, is not applied by foreign countries to their nationals. According to my information all interested parties in other countries are given full and free opportunity by the officials in their respective countries to be heard. They are given every consideration before any determination is made or treaty entered into. The attitude of foreign countries toward their nationals is not only reasonable but right and just. There should be similar consideration given to our citizens by our officials in our State Department. Right and justice should prevail in this country's administrations of the law at least equal to that which is observed in foreign countries.

Another feature that has never seemed justified to me is the application that is made of the so-called most-favored-nation clause of the reciprocal trade agreements. Under this clause whatever reduction we make in our tariff rates with respect to any nation with whom we enter into an agreement immediately becomes available to every other nation regardless of whether or not that nation has made any concession to us. It seems to me that this sets at naught the whole purpose of reciprocal agreements. The fundamental purpose of such agreements is to give some concession to us in return for concessions we give to other nations. When nations who have made no concessions to us can obtain the same benefits as other nations who have made concessions, there can be no justification from the standpoint of reciprocity. It destroys the very basis of reciprocity. Such nations get benefits without giving benefits.

Nowhere is the injustice of this principle more apparent than in its application to Soviet Russia, Communist China, and the iron-curtain countries.

The minority report filed by the Republican members of the Ways and Means Committee clearly and forcibly emphasizes this fact in the following language:

As the result of the most-favored-nation principle, reductions in duty and other concessions made by the United States with all countries under the trade-agreement program are automatically extended to Russia, Communist China, and all other Communist-dominated countries. We now have trade agreements with approximately 45 free countries covering literally thousands of imported items, and the benefits of all these concessions contained in these agreements are now benefiting Russia, Communist China, and their satellite iron-curtain countries.

In the case of Russia, for example, approximately 88 percent of its dutiable imports into the United States benefits from reduced

rates provided in trade agreements by us with free countries, and 92 percent of the tax-free imports from Russia consists of products bound on the free list in trade agreements by us with free countries.

In the case of Communist China, 72 percent of the dutiable imports into the United States from that country benefits from trade-agreement concessions granted by us to free countries, and 75 percent of the duty-free imports of that country benefits from our concessions to the free nations.

Briefly summarized, similar figures for other iron-curtain countries are as follows:

Poland, 80 percent of the dutiable imports and 79 percent of the free imports.

Hungary, 73 percent of the dutiable imports and 69 percent of the free imports.

Bulgaria, 97 percent of the dutiable imports and 30 percent of the free imports.

Manchuria, 99.8 percent of the dutiable imports and 98 percent of the free imports.

Rumania, 96 percent of the dutiable imports and 84 percent of the free imports.

It is outrageous that our American soldiers should be fighting the Communists in Korea while at the same time all the Communist countries are enjoying the benefits of concessions made by the United States to the free world without—except in the case of Czechoslovakia—having given the United States a single concession in return. I believe that this preposterous inconsistency in our foreign policy should be removed at once by the denying to Russia and Communist China, and to any Communist satellite country—including North Korea—which the President finds is part of a conspiracy against the free world, the benefit of the reduced rates which we have granted to the free world.

In addition to what I have already mentioned as defects in the administration of the law, there are other conditions that should be rectified.

One of the most important of these is to prevent serious injury or the threat of it to our workers, farmers, and productive enterprises resulting from unwise tariff cuts and concessions by the administrators of this law. This is often referred to as the peril point. I am in favor of an amendment to the law that will require the Tariff Commission to study all contemplated cuts in tariff rates to foreign countries and ascertain what cuts would in its opinion go below the peril point and thereby endanger the affected industry in our own country and its workers. Reports would be made to the President or to the Congress of the cases where the contemplated concessions would go below the peril points. This would provide a signal against the danger ahead if such concession should be made. This would, in my opinion, prove of great advantage to our producers and our workers.

Another feature that needs attention by way of remedial action relates to what is termed the "escape clause." A peril-point clause, to which I have just referred, is to warn us of danger, and the escape clause is to save us in the event that a situation develops that shows we have made a bad bargain. Thus, the peril point and the escape clauses are closely related. The adoption of adequate provisions to accomplish the purposes designed for each of them respectively is with the sole thought of protecting American industries and their

workers from what might be found disastrous to American interests. Clauses of this character should have the approval of the Congress.

In conclusion, I think it would be much wiser to limit the operation of the act to 2 years instead of 3. The uncertainty that exists in the world today admonishes us to go carefully. We should not commit ourselves too far in the future. We need to exercise caution.

I trust that the suggestions I have made to improve our reciprocal trade-agreement policy will have the support and approval of the Congress.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, we have considered periodically the method of tariff reduction provided for in the present bill.

I rise today as I have risen before to urge the adoption of the so-called escape-clause amendment, the so-called peril-point amendment, and for that matter any other amendment which may be offered to protect American labor.

I rise particularly to support the so-called escape-clause amendment which is to be offered, and to express the hope that the Democratic majority of this House will see fit to accept it.

This amendment will permit suspension, withdrawal, or modification of concessions by the President whenever any industry in America may be jeopardized as a result of any trade agreement.

Frankly, I cannot see why or how any Member of this House, who has at heart the best interests of the great body of patriotic, hard-working men and women in this country who compose our labor force, can oppose this amendment.

I appreciate fully the importance of international trade. Under present world conditions, confronted as we are by the menace of world-wide communism, international trade is vital.

But surely, Mr. Chairman, we have not only the right but the solemn obligation to safeguard American labor from the loss of its means of livelihood—from being thrown into the army of the unemployed—if the administration misjudges the effects of any particular trade agreement under existing policy.

We talk of a "reciprocal" trade-agreement policy. The policy under consideration, Mr. Chairman, has never been truly reciprocal. Every man and woman in this House today knows that once a concession is made to one country, that concession, generally speaking, applies to every other country on the face of the earth, whether or not behind the iron curtain, which produces the commodity in question.

Who can tell what the adverse effects under any trade agreement may be under these conditions?

It cannot be denied that great damage has been done to certain industries under the present trade agreements policy. Those of us in New England will not forget the fate of the Waltham Watch Co., and the American watch industry generally, despite repeated appeals to the State Department and the Tariff Commission.

Why not require an escape clause in all trade agreements as a safeguard for our workers in the future?

An escape clause has in fact been included in certain agreements from the outset. Still other agreements have been renegotiated for the purpose of including an escape clause.

The amendment which will be offered will simply make it mandatory that every trade agreement hereafter shall include a proper escape clause.

I am for international trade, Mr. Chairman, but I am also for the protection of the men and women in this country who labor in our plants and who contribute to the industrial success of this Nation.

They are entitled to and must have jobs at real American wages, under decent working conditions, if we are to produce what must be produced to meet our tremendous obligations at home and abroad.

In the name of American labor, in the name of American industry, essential in time of war, I appeal for the overwhelming approval of the escape-clause amendment when offered and for the approval of any other amendments which will safeguard the jobs of the rank and file of labor.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, almost 2 years ago today when H. R. 1211 was under consideration, which repealed the peril point and escape clause and extended the Reciprocal Trade Act for 3 years, I opposed this bill and gave warning to the effect that it would be hazardous to American agriculture and industry. I cited a number of industries in my district that would be jeopardized through the reduction of tariffs. I cited from a speech of Albert S. Goss, master of the National Grange, and of Mr. Ray B. Wiser, president of the California Farm Bureau Federation, substantiating my position in opposing this legislation.

One year later, on February 9, 1950, I addressed this House on the effects of the Reciprocal Trade Act during the past 12 months, and I am sorry to say that my predictions were coming true. Among the industries that were being injured through the unrealistic administration of the Reciprocal Trade Act were lumber, fishing, and many agricultural crops, including hops, walnuts, olives, almonds, prunes, grapes, cherries, and many other industries in my own district, besides an untold number of industries throughout the United States.

The tariff on hops had been reduced from 24 cents to 12 cents a pound and Czechoslovakian hops from behind the iron curtain wrecked the hop market in this country. Olive oil from the Mediterranean, where labor is paid \$1 a day as against \$1 an hour in California, had completely ruined that industry. The Waltham Watch Co., a hundred-year-old firm, had just closed its doors, throwing 1,231 employees out of work on 1 day's notice.

In June of last year I appeared before the subcommittee of the House Committee on Education and Labor to give testi-

mony in order to stop the negotiation that was being planned for the reduction of tariff on dry wines. Vineyard labor costs in the United States an average of from \$8 to \$9 per day, while comparable labor in France ranges from a low of \$1.84 up to \$2.50 a day in harvest periods. Seventy-two cents to a dollar per day in Spain and Portugal, and from \$1.12 to \$1.26 per day, plus a quart of wine in Italy. It costs \$105.18 to farm 1 acre of grapes in California, while the average cost in foreign countries is \$26.56. Therefore, if the grape growers and the manufacturers of wine are to survive in this country they must have adequate tariff protection.

I could name many other industries that were folding up at that time because of the effect of the reciprocal trade agreements entered into. The constant threat to American agriculture and industry of the present unrealistic tariff law administered according to the whims of international theorists can only mean disaster to our American way of life. The United States of America became great because of individual initiative which had the protection of an adequate and proper protective tariff system that permitted our economy to develop and expand, and is responsible for the high standard attained for the farmers, labor, and industry.

Only a few months ago hearings were being held at the request of organized labor here in Washington, protesting the reduction of tariffs which were closing American factories and throwing men out of employment. Millions of men at that time were out of a job. Then came June of 1950 and another war. Must we continue indefinitely to depend upon war bailing us out economically with the sacrifice of thousands of our young men and the hardship that goes with it? I say that we should solve our economic problems in a realistic manner. We continue to win the wars and lose the peace. I believe it our duty to write into the reciprocal trade agreement the peril point and the escape clause in order to lend stability to our agriculture and industry.

I would like to quote from a letter I received today from Ray B. Wiser, president of the California Farm Bureau Federation:

We also recommend that any extension of the Reciprocal Trade Agreements Act should carry a provision setting definite minima beyond which tariffs could not be lowered. These minima should be set by an investigating agency after careful review of all the pertinent facts.

It is apparent that the whole mechanism of tariff rate determination is now geared to accomplish reductions in tariff rates. It is our belief that by legislation or policy, provision should be effected whereby adequate consideration can be given to agricultural industry requests for tariff increases where such industries are hard hit by increasing imports.

I also have word from the almond growers of California that imports of almonds in the past 60 days have been greater than any like period during the past 25 years. It is estimated that 5,000,000 pounds of shelled almonds, together with those produced in this country, will serve the American market. Al-

ready this season the imports exceed 7,240,000 pounds, and unless curtailed will reach eighteen to twenty million pounds. This will spell ruin to this industry.

Without a doubt many other industries in this country are facing the same problem. I am thoroughly in agreement with the principle involved in the Reciprocal Trade Act. It is fine in principle, but its application, however, has proven disastrous to many of the industries throughout the length and breadth of our country, and the attitude of those who have been effecting our agreements for the past 20 years is that industry must be sacrificed in order to pacify producers in other countries.

I have introduced H. R. 2194 to restore the peril point and the escape clause to our foreign trade agreements. I expect to have ready for introduction the principles of my bill to be amended into the pending bill. I cannot see how we can continue to maintain our American standard and our American wage scales and continue to purchase competing articles from foreign countries where their labor costs are so greatly below ours.

The application of the tariff law has not been reciprocal. It is a one-way, downhill, twisting road, with supersloped the wrong way, and at every turn we lose one of our important industries, or one of our American agricultural producers.

I plead with you to amend this bill to provide for the peril point and the escape clause to give some semblance of protection to our American workman and our American industries.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I doubt that there are many Members of the House who are not in accord with the theory or the principles of the reciprocal-trade legislation. The controversy over the subject deals chiefly with the administration of the legislation and the results which have been brought about because of that administration. It seems to me, therefore, that the legislation should contain some provisions which are designed to correct in some measure the administrative errors. Along with other Members of the House I believe amongst those provisions should be one dealing with the so-called peril point.

A number of domestic industries have been seriously injured because of the almost utter disregard had for their welfare in the lowering of tariffs on the imports of competing foreign products. I should like to point out one such industry to the Members of the House, namely, the Pacific Northwest fishing industry. Permit me to refer to one or two segments of it.

For instance, the halibut industry in the North Pacific normally employs 559 vessels and 3,084 fishermen, and products of that fleet grossed \$34,000,000 in 1948; the North Pacific otter trawler industry—excluding vessels operated from California—normally employs 300 vessels and 1,350 men and produced a gross of \$3,667,100 in 1948.

This important segment of our national economy is now in trouble because of imports of vitamin A from Japan—which cut 1950 liver prices to one-fourth of the 1948 level—and imports of groundfish fillets from Canada and Iceland at prices so low that they have undermined the United States market to such an extent that Washington and Oregon vessels faced with United States costs no longer can compete in the market.

Cod fillets produced by United States fishermen cost raw fish dealers from 20 to 24 cents a pound under present-day costs—while similar fillets imported from Canada and Iceland sell in the same market for from 18 to 21 cents a pound. This differential in price resulting from lower costs for foreign fishermen closes out our markets to our own fishermen. I cite the case of the Eardley Fish & Fillet Co., of Seattle, as an example of the damage done to local fishing industry as a result of imports. This company had 32 vessels under contract in 1947 and employed 70 to 80 people in its plants at that time. Today, only six vessels are being used and shore workers number only 30 to 35. And, whereas in 1947 the 32 vessels were operating without limit, the vessels now are limited to 2,000 pounds each—while the same vessels were averaging from 60,000 pounds to 100,000 pounds each in 1947.

Imports of vitamin A and groundfish in the halibut and otter-trawl fishing industry—including the allied shark industry—have destroyed the full-time jobs of 200 soupfin shark drift netters—destroyed the off-season employment of 450 halibut fishermen—reduced the incomes of 3,000 halibut and shark fishermen by \$3,200,000 annually and have overburdened the already overcrowded halibut industry by the addition of 50 boats and 300 men from other branches of the fishing industry, and destroyed 586 jobs in the otter-trawl industry and reduced the incomes of those employed in that field.

The only remedies suggested by Government officials have been to increase imports, reduce exports, continue to send money to other countries to give them funds to pay for United States goods and provide cash benefits for those hurt by increased imports. It is my view that the best long-range solution is to limit imports to a fair percentage of domestic consumption and then allow our economy to adjust itself to this policy. The payments of benefits to those hurt by unlimited imports is an unsatisfactory remedy. We remember the difficulty encountered by OPA in the fish business during the war and the difficulties of subsidy payments would be 10 times as great.

The Northwest fishing industry is being injured mostly in the vitamin-A field by imports from Japan. The market for vitamin A produced by Northwest fisheries is the entire United States, while that area's fillet market generally is limited to the western half of the country. One Seattle firm that formerly obtained its bottom fillets from fishing vessels at Seattle now buy their supplies from British Columbia where a big fillet industry has been developed.

Fishing is also a vital part of the Alaskan economy and now is being seriously threatened by foreign-fish imports in the

United States. Fishing generally supports the Alaskan economy; without it, Alaska would be severely injured. The otter-trawl industry normally employs about 1,500 men—employment in that industry now is down to 800 men. This employment drop represents about a 40-percent decrease in employment in that branch of the industry and is a fair example of the situation in the entire industry.

A peril-point provision in the pending legislation could be the means by which some protection would be afforded to the Pacific Northwest fisheries. The fishing industry is an old and important segment of our national economy and should not be permitted to be destroyed. I sincerely trust that the House will see fit to support the peril-point amendment which will be offered under the 5-minute rule.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, the interest of the laboring men prompts me to take the floor in their behalf. In this very important measure we must have two considerations: One, academic, and the other practical. From the theoretical point of view the chances are that all of us are agreed that a reciprocal trade agreement honestly and fairly administered might have equal results on all member parties. Unfortunately, however, and especially from reports received from my own district, it has not been fairly administered and the result is that it has endangered the opportunities of laboring men to feel secure in their present employment.

This brings us to the serious consideration of the very practical aspect of this measure. The working men and women should be considered as one of the very important factors because they are entitled to continue in their employment and this cannot be accomplished if cheap foreign imports will close the factories in which they are employed.

Speaking for just one industry in my district in Indiana, I would like to refer to the clay tile group. There is a very serious threat to the American tile industry. This industry is not large but there are 37 manufacturing plants in this country that employ approximately 9,000 people and represent an invested capital of around \$35,000,000. These plants are located in 12 States and raw materials come from 22 States. In addition, tile is distributed through some 4,500 tile contractors to consumers in every State in the Union. In all, the industry provides employment for some 30,000 people and makes possible higher living standards for millions of Americans.

Now the deplorable condition that has developed in this one particular industry is illustrated by the fact that the imports of clay tile in this country are increasing by leaps and bounds. Two thousand four hundred and three percent more foreign tile was imported from low-wage countries in the first quarter of 1950 than in the first quarter of 1949. To place this in actual figures, from all countries the 12 months

of 1949 showed an import of 424,000 square feet. In the first 10 months of 1950 this import had climbed rapidly to 1,135,000 square feet. Now these tiles are the kind that are used in making more practical and modern bathrooms, floors, and for similar purposes in the building industry. Thus you can see that this is a very considerable figure.

If this practice continues the very existence of the American tile industry is threatened. The fact of the matter is that the best grade of tile is made in these United States and the quality of the tile imported from abroad is far inferior to the product which is demanded by the American consuming public.

One of the largest consumers is the United States Government itself and, by this very process, our own Government faces a loss of the only reliable source of supply of genuine ceramic floor and wall tile of high quality due to these unwise tariff policies. In this particular industry, which is semiskilled, 70 percent of the cost of making tile is direct labor costs. Thus it is very evident that the high wages which the workmen in this country enjoy would make it impossible for any manufacturer to compete with foreign imports.

The letters that have been coming to me are from the employees in the factories rather than from the management. These laboring folks are very much concerned and worried about their future. They have seen the manner in which these cheap foreign ceramic tile imports have reduced the sale of the products of their own factory and they can envision the time when they will be forced to abandon their years of experience and training and seek another livelihood.

Another glaring danger in the lack of protection to this specific industry is indicated by the effect which the devaluation of the British pound sterling produced upon the sale of tile. Following the devaluation of the British pound sterling in terms of the dollar in September 1949, imports consisting largely of British glazed wall tiles increased immediately and have continued to represent the major competition. Export prices of British glazed wall tiles in terms of dollars declined about 30 to 35 percent through the devaluation of the pound sterling.

These are only a few of the conditions that have caused the people in one of the large cities in my district to become alarmed and to write so many letters of protest. To substantiate these statements, Mr. Chairman, under unanimous consent to revise and extend my remarks, I include therein certain letters:

ANDERSON, IND., January 26, 1951.

HON. JOHN V. BEAMER,
Congressman, House Office Building,
Washington, D. C.

DEAR CONGRESSMAN BEAMER: As I understand it, the House Ways and Means Committee is now holding hearings in reference to lowering the tariffs of foreign countries. This will, of course, vitally affect the tile industry, in which I am employed.

I am opposed to any reduction in tariffs on tile coming into the United States from foreign countries.

Having heard that the foreign-made tile is not the high quality tile made in the

United States, it will not only affect the tile manufacturers here and employees but also the consumer.

I sincerely hope that you will do everything in your power to prevent this lower tariff on imports idea.

Sincerely,

MARJORIE ROBERTSON.

ANDERSON, IND., January 26, 1951.

HON. JOHN V. BEAMER,
Congressman, House Office Building,
Washington, D. C.

DEAR CONGRESSMAN BEAMER: I would like to take this time to write you in regard to the problem of the possibility of lowering the tariff rates on imports to the United States from foreign countries, such as England, Spain, Italy, etc.

If the tariff is lowered, it will very definitely affect the smaller industries, such as the manufacture of tile, and since I am employed by a tile concern, it is of great interest to me.

I urge you to do everything in your power to see that this tariff is not lowered, but raised.

Sincerely,

FLORENCE POORE.

ANDERSON, IND., January 25, 1951.

HON. JOHN BEAMER,
Congressman, Fifth District of Indiana,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BEAMER: Although there is much discussion in regard to foreign affairs and national defense, there is one thing that I would like to call your attention to that will affect us eventually, and that is the low tariff on imports of foreign tile. Tile is coming into this country and sold at a price much cheaper than the American manufacturer can make it. This foreign tile coming from England, Spain, Italy, and Belgium is not the high-quality tile that is made in this country.

On just a plain visual inspection the foreign tile may appear to look as good as American-made tile, but after the foreign tile is installed, it is apt to craze (check), and not hold up nearly as well as the American tile. If we permit this foreign tile to come in and take the place of a higher quality tile, it will have a tendency to reduce our output of tile from the American factories, and thus reduce work for the American people. Although this has not been much of a factor in the past 4 or 5 years, if we allow this tile to come in with a low tariff rate, it will have a damaging effect upon our own country. The low-priced foreign tile will force the tile manufacturer to reduce his prices in order to meet this competition even though his quality is much superior to the foreign product. By reducing his prices, it will reduce profits or wages, or will gradually have to go out of business.

The tile business is a necessity to the American people and to all manufacturers. The engineers in the tile industry do develop some basic ideas in regard to the manufacture of tile and the silicate industries. These ideas are exchanged with men in the refractory, the dinnerware, and the brick industries. A number of times the refractory men obtained information from the other silicate industries in order to make better refractories so that it is possible to process iron, steel, copper, etc., through the melting furnaces at a cheaper rate. In other words, they can make refractories that will last longer.

Therefore, I would urge you to do everything in your power to see that the tariff on tile is increased, namely: (1) To protect one of the small American industries; (2) to insure a higher wage for the people working in this industry; (3) to insure that the American people will get a better product by not allowing the foreign inferior product to

replace the American product; and (4) to insure the build-up of more technical information for general use in all industries in order that we may have a higher standard of living.

Sincerely yours,

EARL E. BALDAUF.

NATIONAL TILE &
MANUFACTURING CO.,

Anderson, Ind., January 26, 1951.

HON. JOHN V. BEAMER,
Congressman, Fifth District, House
Office Building, Washington, D. C.

DEAR CONGRESSMAN: Mr. Louis S. Jones has called my attention to a letter from you under date of January 18 in reply to one from him in which you ask that he supply you additional information in reference to imports of clay tile from low-wage countries under present tariff rates and its effect upon the tile industry in this country.

Mr. Jones has asked me to send you some material on the subject which I am very glad to enclose herewith.

These so-called reciprocal trade agreements seem to be formulated upon the basis that they are helpful to foreign countries without consideration of the harm they bring about here in the United States. As an example, such a reciprocal arrangement was made with Mexico a few years ago—this was repealed in December 1950—that established a duty of 10 cents per square foot on tile coming from that country to the United States. Mexico reciprocated by establishing a duty of 40 cents per square foot plus an additional 40 percent of the value of all American tile shipped to Mexico which arrangement effectively cut off shipment of any tile to that country from here and permitted tile made by the very cheap Mexican labor to be sold here at prices much lower than domestic production cost.

Imports of clay tile into this country at this time are increasing by leaps and bounds. Two thousand four hundred and three percent more foreign tile was imported from low-wage countries in the first quarter of 1950 than in the first quarter of 1949. Continuation of this practice threatens the very existence of the American tile industry which, as a matter of fact, is the only reliable source of supply for this material in the entire world. Other countries supply the United States only with special items in large demand leaving the more difficult and unprofitable items to be supplied by domestic manufacturers.

The American consumer, largest of whom is the United States Government itself, faces the loss of the only reliable source of supply of genuine ceramic floor and wall tile, due to these unwise tariff policies. Since as much as 70 percent of the cost of making tile is direct labor cost, every increase of foreign imports means a direct threat to the tile industry in this country and to the jobs of 7,000 Americans employed in tile manufacturing plants.

I enclose herewith a very comprehensive study of this situation prepared by the Tile Council of America. I believe you will receive another similar booklet being mailed about this time by the Anderson Chamber of Commerce to its members.

I assure you we will appreciate any effort you make to bring about higher, rather than lower, tariffs on clay tile.

I hope you and Mrs. Beamer are becoming acclimated to your new surroundings in Washington, and with best wishes to you both, I remain,

Sincerely,

R. H. ALEXANDER,
President.

Mr. REED of New York. Mr. Chairman, I yield 11 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, the New Deal tariff policy, known under the nice-sounding name "reciprocal trade agreements" has been in effect during the past 16 years. If it were not for the Korean war and the Nation's rearmament program now getting under way, we would have a greater unemployment problem on our hands today than the Nation had back in the boondoggling and leaf-raking days of the 1930's. The Reciprocal Trade Agreements Act expires in June. It is now before the House for consideration and action. Should it be extended for another 3-year period?

Mr. Chairman, the tremendous imports that are flooding our markets today have already dealt damaging body blows to the following American industries: Fishing, glassware, pottery, jeweled-watch, fur, glove, and textile. Large imports of these manufactured goods are flooding our markets and destroying the jobs of American factory workers.

The fallacy of importing millions of dollars' worth of goods when we have surpluses of our own seems not to have penetrated the minds of our "do-gooders" who have control of our imports. We import millions of bushels of potatoes while destroying and dumping millions of bushels of our own. We import millions of dozens of fresh eggs—and millions of pounds of dried eggs—yet our own surplus of eggs is so large that it has become a public scandal. We import millions of pounds of beef and pork, millions of bushels of wheat, corn, barley, and oats, and at the same time force the American taxpayer to dig deep in his pockets to pay the cost of supporting the prices of these same products that our own farmers raise. At the present time our Federal Government owns or controls through price-support operations over half the total feed grain stocks in the entire United States.

How can we maintain high wages for American workmen and high living standards for American people when we permit goods manufactured by foreign workmen working for low wages, and farm products raised by farmers who for centuries have been living like serfs, to flood our markets and destroy the jobs upon which our workers depend?

Mr. Chairman, the results of the reciprocal trade agreements and other tariff concessions should be reexamined. The administration has been risking, almost inviting, the bankruptcy of important American businesses in order to build up the foreign trade of other countries. We have been courting unemployment for millions of American working people. We have been playing right into the hands of other nations—at the expense of our own.

At one time or another during the past half century some 50 American corporations have made jeweled watches. Today only two of them are operating, the Elgin and the Hamilton, the other 48 jeweled-watch companies have been run out of business by the Swiss watch importations.

Recently union officials joined with glass manufacturers of New York, Pennsylvania, West Virginia, and Ohio in presenting to Members of Congress the troubles of the glass industry of America.

Employment in plants making better-grade glassware is now only 30 to 50 percent of normal, and thousands of men are out of work. The reason? The recent flood of foreign glassware into American markets at prices much lower than the labor cost of producing similar ware in this country. Reciprocal trade agreements reducing tariffs on glassware, and special arrangements made by Mr. Hoffman under the European recovery program, are blamed for the situation. Incidentally much of the glassware now reaching American markets from abroad is made behind the iron curtain. Leaders of American labor and industry are becoming increasingly aware of the grave dangers of the administration's free-trade program—and it is about time.

Mr. Chairman, when first created by the Congress the United States Tariff Commission was a bipartisan, expert, nonpolitical, fact-finding body set up as an agent of the Congress, and responsible to the Congress. In 1934, when the Reciprocal Trade Agreements Act was passed, the Tariff Commission was subordinated to and buried in the executive department, and from then on ceased to be an agent of the Congress. The Eightieth Congress, in extending the Reciprocal Trade Agreements Act, placed a provision in the law—the peril-point provision—that in effect reestablished the United States Tariff Commission as an agent of the Congress, but provided that the Commission make a report to the President for his guidance in making future trade agreements. If for any reason he disregarded the findings of the Tariff Commission as to peril points, then the President would be required to make available to the Congress the Tariff Commission's report, along with his reasons for disregarding the recommendations of the Commission as to peril points.

This action of the Eightieth Congress was repealed by the Eighty-first Congress, so once again the United States Tariff Commission became the agent of the executive department, subject to the political decisions of the President, and dictated to by the State Department—a State Department more interested in the welfare of other governments and other peoples than it is in our own Government and our own people.

Mr. Chairman, the United States adopted its reciprocal-trade program in 1934. The program has been in operation 16 years. Its objective is to reduce or remove world trade barriers and permit the free flow of goods between countries, thereby removing one of the principal causes of war. That is an excellent objective, a very worthy purpose. How has it worked out? Testimony given before the Ways and Means Committee at recent hearings brought out the following very disappointing facts:

First. After 16 years, world trade barriers are greater today than ever before.

Second. We have experienced World War II, and the world today is in greater fear of war than when the Reciprocal Trade Agreements Act was adopted.

Third. American industries are being injured, American workers have lost their jobs, even though the full impact

of the program upon our American industries has not as yet fully materialized.

Mr. Chairman, Dr. Clair Wilcox, a former Director of the Office of International Trade Policy of the State Department, and one of the best posted men in America on our foreign trade program, made the following statement before the United States Chamber of Commerce Institute on June 15, 1948:

The trade of the world today is more tightly regimented than it ever has been before in history, in time of peace. The tariff is the old-fashioned method of restricting trade. It is the mildest method of restricting trade that exists at the present time. As a matter of fact, a nation that confines trade restriction to the use of a tariff today can be said to be pursuing a liberal trade policy.

The June 1948 monthly letter of the National City Bank of New York contained the following statement:

Foreign producers criticize our protective duties on certain articles. Nevertheless, the United States market generally is freer of access today than practically any other market in the world.

Mr. Chairman, embargoes, quotas, preferences, import license restrictions, currency manipulations, subsidies, state trading, and other restrictive trade devices have been adopted by foreign nations to control the movement of trade. They are much more restrictive than simple tariff barriers. Our feeble tariff barriers are as nothing when compared with the trade barriers set up by governments that have entered into reciprocal trade agreements with us.

Mr. Chairman, we built up a watch industry in the United States that did give employment to scores of thousands of workers. These workers were paid a reasonably high wage that enabled them to live decently upon a standard of living that is the highest in the world. Switzerland, under our reciprocal trade agreements program, has been dumping millions of watches on our American market at far less than it costs to manufacture them here. This has forced our factories either to go out of business or to go on part-time production. What is the difference between importing cheap labor to compete with our American labor—which our immigration laws forbid—and importing the products of cheap labor to compete with the product of our factories—which our reciprocal trade program permits—thereby robbing our factory workers of their jobs?

Mr. Chairman, since 1941, when we entered the war, a total of 75,000,000 Swiss watches have been imported. During the last 6 years, 1945-51, an average of more than 9,000,000 Swiss watches were imported each year. This importation of Swiss watches under our reciprocal trade agreement with Switzerland has seriously damaged our American watch industry.

Mr. Chairman, after 16 years of experimentation with reciprocal trade agreements, it is time for us to stop, look, and listen; it is time for us to analyze, to weigh, and to measure the results of the reciprocal-trade program before we extend it for three more years, without the safeguards that were placed in it by the 1948 act. A careful analysis

of the results of our 16 years' experience convinces me of the following:

First. The program has not contributed to international good will.

Second. The program has not removed nor reduced world trade barriers with the exception of our own.

Third. The program has not prevented war nor removed the threat of war.

Fourth. The program has already damaged some American industries and thrown thousands of American workmen out of work, even though the impact of the program upon our economy has not as yet fully materialized.

For these reasons, Mr. Chairman, I am opposed to the passage of H. R. 1612 without proper and necessary safeguards being incorporated in the bill.

Mr. MILLS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the trade agreements program is a program sponsored by the United States since 1934 to expand international trade by reducing international trade barriers.

The program is premised upon the American conception of a dynamic and constantly growing economy. It attempts to establish trading conditions for the world in which free private competition can stimulate the production of more and more goods at constantly lower prices as has happened so successfully in the United States.

Initially the program consisted of a series of negotiations between the United States and one other country in which reciprocal trade agreements were concluded providing for either the freezing or reduction of tariff rates on a number of individual commodities on the part of one country for equivalent concessions on the part of the other. Up to the outbreak of World War II, some 20 countries had concluded such trade agreements with the United States. More were added in the Western Hemisphere during the war.

In the realization that there would be need for drastic action to expand trade after the war, the program was adopted to permit quicker and more extensive action. Instead of negotiating with one country at a time, we negotiated with 22 simultaneously, the result being the General Agreement on Tariffs and Trade, concluded at Geneva in 1947 and covering at one stroke barriers to over half the world's trade. Tariffs were reduced on some goods; preferences were reduced on others; undertakings were made on still others not to raise tariffs; and wherever preferences existed it was agreed that they would not be increased. All agreed also to create no new preferences and it was generally agreed that quotas would be outlawed as soon as conditions permit.

As a result of further negotiations carried on at Annecy, France, in 1949 and of the current negotiations at Torquay, England, 39 countries have or soon will become contracting parties to the general agreement. A number of countries having prewar bilateral agreements with the United States have joined the general agreement and in such cases the old agreements have been either superceded or terminated. There are still,

however, 14 bilateral agreements in effect in addition to the general agreement.

These agreements represent a very substantial achievement in reducing world-trade barriers both between the United States and other countries and between these other countries themselves. Despite the fact that World War II, its aftermath, and now rearmament have seriously distorted world trade, the program has been successful in holding trade barriers to a much lower level than would otherwise have been possible.

The program is considered a significant symbol of American economic leadership throughout the free world. It is recognized as a concrete example of intelligent American self-interest and the cornerstone of our foreign economic policy.

The relationship between the trade-agreements program and the United Nations:

Although the trade-agreements program is older than the United Nations, it is entirely consistent with the aims and policies of the UN.

The United Nations and its specialized agencies represent an effort to create the international institutions necessary for a free and prosperous world.

The United Nations already has specialized agencies in the fields of foreign exchange, banking, health, food and agriculture, labor, and aviation. It does not, however, have a specialized agency in the vital field of trade, and thus there exists a large gap in its structure. To some extent this gap is filled by the general agreement on tariffs and trade.

We are committed to unfaltering support of the United Nations. We have participated in the building and establishment of the International Monetary Fund to deal with the problems of international exchange. The purpose of the fund is to promote by international action reasonable stability and convertibility of currencies. Clearly, trade must be brought into balance if currencies are ever to be and remain stable. Regulation of exchange controls is futile if nations are free to use quantitative restrictions instead. To solve the problems of international trade, international cooperation with respect to exchange controls and currency valuation must go hand in hand with international cooperation with respect to other forms of trade barriers and the expansion of demand in international trade.

We have participated in the creation and operation of the International Bank for Reconstruction and Development, another organ of the UN. We also are interested in encouraging United States private investment abroad. Clearly, loans cannot be repaid or earnings on investments received if international trade is not fostered and freed.

The trade-agreements program by reducing the barriers to world trade is helping the specialized agencies and the UN itself in the work of building a more prosperous world. The periodic meetings of the parties to the GATT provide a forum for the discussion and solution of trade problems. It is to be hoped that this work and that of the UN can be brought into closer relationship as experience develops.

The relationship of trade-agreements program to our commercial treaty program.

Both the trade-agreements program and our commercial treaty programs are efforts to expand international trade. This requires (a) that more goods be produced; (b) that there be more demand for goods; and (c) that it be easier to exchange goods.

Our commercial treaty program helps stimulate production by encouraging investment through agreement with other countries on the treatment they would give our investors and businessmen and vice versa.

The trade-agreements program helps make it easier to exchange goods by lowering the trade barriers and improving world trading conditions.

The relationship of the trade-agreements program to the European recovery program.

The trade-agreements program is a complement to the European recovery program, a short-term measure to assist Western European countries to produce in greater amounts and to give them time to become going concerns in the world economy. This assistance toward recovery, important as it is will be ineffectual unless world trade continues to expand to the point where all the recipient countries are able to sell their own goods and services to each other and to the outside world in sufficient amounts to pay for the imports they need and desire.

Consequently, in American self-interest, the long-run trading policies of the United States and the rest of the world must provide the best possible conditions for a full revival of international trade. The maze of restrictions, bilateralism, and discriminations must be eliminated so that trade may flow more freely. To help accomplish this result is the purpose and function of the trade agreements program. The full implementation of the trade agreements program will help Western Europe to stay on its feet after American financial aid ends, and make it more likely that the original American investment in Europe will pay future dividends in terms of expanding economies and allies able to improve their living standards and to pay for their own self defense.

The relationship of the trade-agreements program to the point 4 program.

Both the trade-agreements program and the point 4 program will contribute to the development of underdeveloped countries.

Point 4 is a program by which the United States will make available to other countries know-how and skills that will help them to develop their resources on a sound basis. It is also designed to help promote the flow of capital to productive work in underdeveloped countries.

The trade-agreements program helps in this process in two ways: (a) by helping to create world trading conditions in which it will be easier for the underdeveloped countries to get things they need and sell things they produce; and (b), by recognizing in the general agreement on tariffs and trade that the special circumstances of underdeveloped

countries may require some deviations from the general rules which the contracting parties have agreed to follow in order to foster new industries.

The purpose of the point 4 program is to stimulate production in countries where an increase in production is most needed. It is a direct approach to the problem of low productivity in these countries. However, an increased capacity to produce is not enough. Larger markets are required to absorb the increase. The trade-agreements program by reducing barriers to trade can help to widen the markets, thus buttressing the point 4 program at a very vital point.

The relationship of the trade-agreements program to European economic integration: European integration is completely consistent with the trade-agreements program and the program can help the European countries in working toward integration.

The purpose of European integration is to create a large area in Europe in which there are a minimum of trade barriers and in which the competitive forces of the market place can operate as freely as possible.

The purpose of the trade-agreements program is to help get down trade barriers and release competitive forces over as wide a part of the world as possible.

The end objectives are thus completely consistent.

The general agreement on tariffs and trade clearly recognizes in its provisions about customs unions and free trade areas that it may be possible for certain groups of countries to go further than others in eliminating barriers between themselves, and that this process is desirable if it is a genuine step in the creation of wider markets and not just a way of giving preferential treatment in special cases, or of raising higher barriers against other countries.

Thus, any genuine steps toward real economic integration of Europe are consistent with the specific terms of the general agreement.

Moreover, by creating a wider acceptance of liberal trading rules all over the world, the trade-agreements program is helping to establish the kind of world trading conditions in which the process of genuine economic integration in Europe could go forward faster and have a better chance of sticking.

Specifically, Europe's problem is not just one of developing a larger and freer market inside Europe itself. Integration alone cannot solve the problem of European recovery. Densely populated and dependent upon overseas areas for raw materials and food, Europe can at best achieve no more through integration than an increased productive capacity and an increased ability to export. There still remains the problem of finding overseas markets for the expanded output. The trade-agreements program can help obtain for Europe better access to these markets.

The relationship between the trade agreements program and the customs simplification bill:

Both the trade-agreements program and the customs simplification bill are designed to expand international trade by reducing trade barriers.

The customs simplification bill is primarily concerned with indirect barriers to trade known as customs red tape which some times are more burdensome to trade than tariff duties themselves. The bill proposes a number of changes in our custom administrative and internal revenue laws but would make no changes in tariff rates as such.

The trade-agreements program, on the other hand, is designed to expand trade by reducing tariffs as well as other trade barriers. Under the program, the General Agreement on Tariffs and Trade has been negotiated and put into provisional effect by 31 of the leading trading countries of the world. Passage of the customs simplification bill would enable the United States to make fully effective certain principles set forth in the agreement and thus make it possible for us to press for reforms in customs procedures in foreign countries.

The relationship of the trade-agreements program to the North Atlantic Treaty program and to our national security:

The task of creating defense against aggression is not exclusively a military task. The ability of the United States and other free nations to resist aggression is fundamentally dependent upon the maintenance of our joint economic strength and upon our taking measures to promote the growth of this strength.

In essence, the North Atlantic Treaty states that an armed attack against one or more of the parties to this treaty shall be considered an attack against them all. This undertaking presently necessitates accelerated defense programs in the United States and the other member countries. Production for defense, when conducted on a large scale, means greatly increased economic activity. There is greater employment, and more money comes into circulation, creating a larger total demand for goods and strong inflationary pressures. To the extent that the trade-agreements program has been successful in achieving tariff reductions, thereby increasing United States imports, it will add to the supply of goods and help to restrain the inflationary pressures we shall encounter.

The North Atlantic Treaty also requires the parties to eliminate conflict in their international economic policies and to encourage economic collaboration among themselves. Valuable as has been the contribution of the general agreement toward the reduction of world tariff barriers, many will argue that the general agreement made an even more important contribution by providing a forum where the world's major trading nations can come together and discuss their trade problems. Among its members, the general agreement can count all but two of the signatories to the North Atlantic Treaty—Iceland and Portugal.

The North Atlantic Treaty is a part of our program of collective security. Our own national security depends not only upon our participation in such collective measures but also upon our building up our individual strength. Although we possess the greatest industrial plant in the world, we would actually be able to produce very few of the present-day

marvels of machinery if we were unable to import certain essential raw materials. In fact, without imports many products which are part and parcel of the American standard of living, such as radios and automobiles, at their present state of perfection, would be unobtainable. The steel used in making jet engines must have added to it small amounts of certain metals which do not exist in the United States in adequate quantities. Today, when our need for such materials is great, we can count on a full measure of cooperation from countries which have recognized our good faith through our leadership in the world trade field.

Mr. Chairman, over the past months many questions have been propounded concerning the theory and operation of the trade-agreements program in addition to those which I have already discussed.

During the remainder of my time I desire to state some of these questions and to suggest what appear to me to be logical answers.

What can be done under the trade-agreements program about all these bilateral agreements we see countries everywhere signing? Are not they quite inconsistent with the GATT?

The trade-agreements program is designed to help remove the conditions which cause most of these bilateral agreements, and in the general agreement there are provisions designed to prevent those that are purely protective or discriminatory.

Bilateral agreements are a symptom of the kind of world trading and economic conditions which the trade-agreement program is intended to help improve. The usual reason why countries enter into bilateral agreements is because their currencies are not convertible, because they do not have enough goods to sell to earn all the foreign currencies they may need, and because other countries' currencies are not convertible. So they make these agreements to be sure that if they send their goods to another country they will get back goods in return and not just currency that they cannot use.

The trade-agreements program contributes to this problem of restoring currency convertibility by helping to make it easier for countries to exchange their goods with each other. As unnecessary restrictions on international trade are cleared away, allowing it to expand on a multilateral basis, the balance-of-payments position of countries all over the world will tend to improve and there will be far less incentive to use bilateral agreements.

There are some cases in which bilateral agreements have highly protective elements in them and make it possible to dispose of goods which are too costly to compete freely on world markets. Agreements of this character are contrary to the provisions of the GATT.

Why are not the present import promotion efforts adequate to enable other countries to earn dollars without any further tariff tampering?

Export promotion plans in other countries and import promotion programs within the United States can help foreign exporters to learn about the

American market; they can teach exporters what sorts of products sell well here, and how to package them; and they can make the American public better acquainted with other countries' goods. They can also provide incentives to sell in the United States such as the Netherlands plan. They cannot, however, overcome the basic price problem which arises from the fact that the tariff rate must be added to the cost of foreign goods sold within this market. Reductions in the United States tariff can help foreign exporters to compete in this country just as reductions in foreign tariff barriers can help the American exporter to compete abroad.

Where is the peace this program was going to bring?

It has never been contended that the trade agreements program would insure peace. It would be unreasonable to expect the program to meet all the problems raised by aggressive communism. However, the facts are that an expanding world economy is an indispensable factor in the maintenance of the political stability of the countries of the free world, that a high and expanding level of international trade is of vital importance in increasing world production and world living standards and that the trade agreements program is a real assurance that the United States will exert, commensurate with its importance, leadership and influence in expanding international trade.

The trade agreements program, by removing barriers to international trade, has strengthened the economy of the free world and has been a factor in the increased economic efficiency of Western Europe. The rising living standards and growing military potential of the countries of Western Europe can in some part be attributed to the effect and influence of American leadership in liberating and expanding world trade.

In the long run, it will be the economic and social conditions which will determine how the millions in Asia and throughout the world will choose sides in the struggle between freedom and totalitarianism. If we are to create the situations of economic and political strength, which will successfully check Russian expansion and ultimately assure peace, we must not only arm ourselves and our allies but also continue programs such as the trade agreements program which effectively demonstrates America's belief in an expanding and more prosperous world.

Most foreign countries with which we have signed trade agreements require that they be approved by their parliaments. Why should our Congress not pass on these trade agreements?

Under the parliamentary form of government the executive and legislative branches have a different relationship from that of the two branches in the United States. The executive in such a government has practical certainty of legislative approval for what it does—otherwise "the government would fall." The evidence of this is that in no case has the parliamentary or legislative body of the other country failed to ratify a

trade agreement after its negotiation by the executive. In this country the legislative branch can and frequently does fail to ratify treaties and other acts of the Executive.

More importantly, none of the legislative bodies of the countries with which we have made agreements had granted to their executives in advance, the specific authority to negotiate trade agreements, hedged and qualified by standards and guides and limitations. This specific prior authority has been granted to the President by the United States Congress in the Trade Agreements Act.

Why can criteria not be adopted by the trade agreement organization or written into the Trade Agreements Act by Congress for determining the extent by which tariff rates should be cut?

The trade agreement organization does have criteria for determining the extent by which tariff rates shall be cut. These criteria are the degree of competitiveness of the domestic and imported article—what particular types and grades of the commodity meet in competition; in what areas does the competition exist—is it centralized in one locality or well dispersed; what is the extent of the competitive impact; cost of production, cost trends, prices and wages; seasonal factors (to what extent the products compete in different seasons and to what extent these seasons overlap); questions of raw materials and sources of supply; extent to which the United States market is of vital importance to a particular foreign country or countries; domestic consumption and the extent it has increased or decreased; and foreign control of prices and markets. All of these factors are carefully weighed.

The weight to be given any of these factors varies immensely from product to product. It would obviously be almost impossible to write all these criteria into the act. If such an attempt were made, the result would be much too rigid and inflexible for practical administration.

Under the Constitution treaties do not become effective until ratified by the Senate. Why should these trade treaties not be submitted to the Senate for ratification as required by the Constitution?

The question has been carefully and thoroughly studied by the Congress time and again. The conclusion each time has been that there is neither legal nor practical warrant for requiring Senate ratification, as treaties, of the individual agreements. These agreements are concluded under a prior grant of authority from Congress, with clear and adequate standards and principles for the guidance of the Executive.

On the practical side of the question history has demonstrated that reciprocal-trade agreements affecting tariffs are almost never ratified by the Senate because of the pressures brought to bear on the Members of that body by interests seeking tariff protection. Numerous Senators have themselves declared that they do not wish to return to the log-rolling involved in general tariff rate making by a legislative body. It is, moreover, much more difficult to negotiate with foreign countries for conces-

sions on American products if there is no certainty that concessions which we offer can actually be made. Under such circumstances foreign countries would be far less willing to grant us concessions for which we are asking.

Why object to an amendment providing for judicial review of failure to withdraw or modify concessions under the escape clause upon the complaint of domestic producers?

There is nothing for the court to review. The Supreme Court has stated categorically that "no one has a legal right to the maintenance of an existing rate or duty"—*Norwegian Nitrogen Co. v. United States* (288 U. S. 294) and *Bush & Co. v. United States* (310 U. S. 371).

The individual citizen is entitled to his day in court through procedures whereby he has an adequate opportunity to present his case for or against tariff protection. He is assured of this. Thus, during congressional revision of the tariff, domestic producers, importers, and others present their views to the appropriate congressional committees. But such an individual may not institute litigation in the courts in case Congress fails to adopt his views and either raise or lower duties as the case may be. This is also so in cases where tariff changes have been entrusted to an administrative agency. For example, the Secretary of the Treasury is authorized to impose additional duties under section 303 of the Tariff Act upon a finding that goods are being imported under a subsidy, and under the Antidumping Act of 1921, upon a finding of dumping. Under section 336 of the Tariff Act—the so-called flexible tariff—the President is authorized, after investigation and report by the Tariff Commission, to increase or decrease duties in order to equalize the differences in the costs of production of the domestic and imported goods. The purpose of each of these provisions is to provide protection for domestic producers who might be injured by imports, but in no case is provision made for judicial review of failure to increase duties on complaint of a domestic industry that it is being injured by imports under conditions of dumping, subsidization, or lower cost of production.

Here, as in section 336 cases, the individual gets his day in court by the right given him under the Trade Agreements Act to present his case for or against tariff reductions in trade agreements to the interdepartmental trade agreements organization through the Committee for Reciprocity Information. In addition, the President has established in Executive Order No. 10082 a procedure under which the Tariff Commission makes investigations whether articles are being imported under trade agreement concessions in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, and if it so finds, to recommend to the President for his consideration in the light of the public interest the withdrawal or modification of the concession.

The determination of what constitutes injury to a domestic producer as well as

whether it is in the national interest to afford relief by withdrawing or modifying a trade agreement concession are matters peculiarly suitable for determination by an administrative agency having regard to all the relevant circumstances in the particular case, rather than a matter for judicial determination or review. Increased imports, the trend of imports as compared with domestic production, price and cost trends, conditions of supply and demand, changes in production, employment, wages, and profits are some of the factors to be taken into consideration in particular cases, but no one criterion or set of criteria can be laid down to determine injury to a domestic producer in all circumstances.

The procedure under Executive Order No. 10082 for investigation by the Tariff Commission of alleged injury by domestic producers, and giving the responsibility to the President for taking action upon its recommendations "in the light of the public interest," is, in the light of experience in tariff matters, a wholly satisfactory procedure that will on the one hand provide adequate protection for well-founded complaints and will, on the other hand, permit trade agreements negotiations to be continued.

Why is the publication of peril points undesirable?

First. Publication of peril points is undesirable in the first place because it would immediately indicate to the other countries with which we had negotiated how much further we had been willing to go. It would give away any future bargaining position on the products in question and cause some friction and hostility with the countries which we had out-bargained.

Second. It has often been so that the United States had no intention of lowering a rate to an extent anywhere approaching a conceivable peril point. Publication of peril points would thus give a wrong impression to foreign countries of what our actual negotiating position had really been.

Third. Publication of peril points would give the impression, erroneous to be sure, that there is an exact and scientific way of establishing them in the first place.

Fourth. Publication of peril points would create a rigid limit on all future action under the program even when conditions had so changed as to make the original limits more meaningless than they were at first.

Why is a 3-year renewal of the Trade Agreements Act needed? Why not limit renewal to 1 year?

All past renewals of the Trade Agreements Act have, until the 1-year extension in 1948 by the Eightieth Congress, been for periods of 3 years except for the 2-year renewal agreed to in 1943 when we were actively engaged in World War II. The 3-year period has proved satisfactory and there is no need to change unless it is intended to kill the program.

Renewal for only 1 year could lead foreign countries to feel that we are vacillating on a basic foreign policy issue. It would be an indication that

there is little continuity assured for the trade-agreements program. It would expose the entire program to short-term political considerations and would not create the essential basis of confidence which is a prerequisite to continued participation by other countries in the general agreement and in our whole program to expand world trade.

It is a waste of time and energy to have renewals every year. The basic purpose, the well-established procedures and the underlying philosophy of the program have been exhaustively reviewed in six renewals. Public understanding and public support has been widespread and consistent. No new departures from the way the program has been administered in the past are envisioned. There are many other vital matters which require the attention and consideration of both the executive branch and the Congress. A 1-year renewal would be difficult to justify to the American public and to the free world.

Why should not Congress restore to American producers the right to litigate matters arising out of the trade agreements which is denied them under the present act?

It is assumed that reference is being made to section 516 (b) of the Tariff Act of 1930, under which a domestic producer has the privilege of intervening in transactions between an importer and the Government to which he is not a party, and to the fact that the provisions of this section do not apply to products on which tariffs have been reduced in trade agreements.

The Supreme Court has held that no one has a legal right to the maintenance of any particular rate of duty.

Experience has proved that this section, which invests certain private interests with extraordinary privileges, has resulted in delays in entry of thousands of items and has proved to be a serious obstruction to American businessmen attempting to do a legitimate import business.

Why is not the Tariff Commission as a Commission represented on the Trade Agreements Committee?

First. The staff of the Commission does function fully before the Trade Agreements Committee and on its subcommittees.

Second. Whether the representative of the Tariff Commission should participate in decisions of the Trade Agreements Committee only after he has received the approval of his position from the majority of the Tariff Commissioners, is of course for the Commission to decide.

Third. The procedure which has been developed over 17 years has worked well. The representative of the Tariff Commission obviously knows the views of his colleagues although he does not get a formal vote. Furthermore, the representative of the Tariff Commission has not been a single individual or from a single party. In the 1947 Geneva negotiations four commissioners were involved over the 7 months' period of the negotiations—two from each party. In both the Ancey and Torquay negotia-

tions only a Republican commissioner has been present.

Why should an entire industry rather than a single producer have to demonstrate injury before a tariff concession can be withdrawn?

Any industry consisting of a number of producers will undoubtedly experience different degrees of efficiency in the production of the commodity concerned by the different producers in that industry. Some producers will be highly efficient, producing at relatively low cost and being able to put their product on the market at a price not only lower than that of their domestic competitors but also lower than that at which any foreign supplier could profitably sell. Other producers may be grossly inefficient, manufacturing at high costs and unable, without special protection, to meet either domestic or foreign competition. Other producers, perhaps constituting the bulk of the enterprises in the industry, will fall somewhere in between these extremes.

While present policy is to avoid tariff cuts which would cause or threaten serious injury to the industry as a whole, it hardly seems reasonable to avoid reducing tariffs where a few individual high-cost producers may be hurt but where the bulk of the industry remains healthy and strong and able to take on all comers without any special assistance. In these circumstances to protect even the inefficient high-cost producers by maintaining high tariffs is grossly to penalize the domestic consumer without sufficiently significant gains in domestic production and employment. The domestic consumer will be forced to pay exorbitant prices merely to protect a selected few.

It should not be assumed from the foregoing argument that tariff cuts will necessarily injure even a particular producer. It may merely force that producer to become more efficient and eliminate wasteful practices in which he had previously indulged at the expense of the American consumer.

The United States has the highest standard of living in the world, due to our system of protective tariffs. Do you favor reducing our tariffs and forcing our labor to compete with the cheap labor of foreign countries such as India, China, et cetera?

The height of the United States standard of living is not due to a high protective tariff system. Tariff reductions such as those which have been made under the trade-agreements program have not forced United States labor to compete with the low-standard labor of foreign countries such as India, China, and the rest.

The United States standard of living is based upon many things much more important than protective tariffs. These include vast natural resources, ingenuity, know-how, and enterprise on the part of American industry, agriculture, and traders, adequate capital and a generally vigorous domestic economy. Our foreign trade has been an important contributing factor to this situation. Our exports have made jobs and buying

power in this country; our imports have supplied necessary materials for maintaining our industries and innumerable commodities which go into our standards of living.

Only a small proportion of the people of the United States who are engaged in gainful occupations could be affected by competition from foreign goods even if their tariff protection were withdrawn. They are far outnumbered by American producers who depend upon and benefit from our foreign trade, including imports. This applies especially to industries which are on an export basis, which are and have been successfully meeting competition from everywhere in the world and selling American goods in countries with far lower wage rates and living standards than those of the United States. Wages in these industries range generally much higher than wages in highly protected industries and the number of people who have jobs in them is far greater.

If we help backward nations to build their own industrial plants, do we (a) lose them as markets for our manufactured goods, (b) strengthen them as competitors in the world market, at our cost, and (c) tend to destroy the technological advantages we now have over other nations?

In helping underdeveloped countries to build their own industrial plants the American economy benefits and does not suffer if the industries established abroad are efficient and well suited to the countries in which they are set up. On the other hand, if economic conditions in the country in question are not adapted to the new industry neither this country nor the other benefits from its establishment.

To be economically efficient an industry in any country must have adequate access to raw materials, capable manpower and management, enough capital, and access to a sufficiently wide market with buying power. If it does not have these things it will either fail or be afforded "protection" through high tariffs or other means by its government. In that case the market is narrowed for efficient industries in the same line in other countries; the cost of the product is higher for the consumers in the country where the industry is located; and the volume of production and consumption are reduced. Everybody loses.

However, if a new industry does have the necessary advantages, it creates employment and buying power in the country where it is established and increases the demand for other imported products. That may mean a shift in the character of imports, but it also means an increase in the total market for imports. Even if a newly established industry does compete with us in the world market for certain products it enlarges the market for other of our exports. These advantages offset the possible disadvantages of sharing our capital and technological knowledge with other countries.

United States trade with the highly industrialized countries is and always has been far larger and more profitable than our trade with underdeveloped

countries. It will continue to be so if the foreign industrialization is on a sound economic basis.

Have the trade agreements been used to help big business at the expense of small business?

No; trade agreements do not favor big business at the expense of small business.

It is not the size of a business, but its efficiency and adaptation to economic realities, that determine whether it can stay in business as far as competition with imports is concerned. The little fellow's market is almost invariably the domestic market. Exports by other industries, large or small, put men in jobs and give them buying power which makes them better customers in the domestic market for the products of either big or little concerns.

Trade agreements directly improve and enlarge foreign markets for all United States export products—whether made by large or small American businesses. This is true of many individual items such as filing cases, shoe polish, incubators, and so on. It is even more strikingly true in the case of agriculture—in which, probably, are engaged more American individuals and small operators than in any other industry. Whether a particular bushel of wheat, pound of tobacco, bale of cotton, or box of apples actually is sold abroad makes no difference in the fact that export sales of these commodities help to maintain the prices and markets for every grower of every unit produced. A major result of the trade agreements program has been the reduction of foreign barriers against American agricultural products.

Assuming that lower tariffs open foreign markets for American manufactured products, is this result achieved at the expense of American agriculture?

No. Proportionately, American farm exports have benefited more from reduction of foreign tariffs than have manufactured products. Foreign countries have provided concessions affecting over 65 percent of our agricultural exports, compared with only 40 percent of our nonagricultural exports. Among the agricultural products where substantial tariff and trade concessions have been made are leaf tobacco, wheat and wheat flour, canned and dried fruits, apples, pears, grapes, lard and pork, dairy products, and canned asparagus. Many countries have agreed to keep cotton on the free list. Furthermore, several major agricultural enterprises, such as the growing of cotton, tobacco, and wheat, usually export larger percentages of their production than do manufacturing enterprises.

Outstanding benefits for agriculture, obtained through trade agreements, have included reductions or eliminations of numerous tariff preferences on farm products. These preferences are extended by some British countries to the products of other British countries but denied to United States farm products. Removal or reduction of these preferences puts American farm products in better competitive position with British products in the markets of the United

Kingdom, Australia, Canada, and some of the British colonies. Some of them apply to such important United States farm products as wheat, pork and lard, and fruits, among others. For example, before January 1, 1948, apples from the United States imported into the United Kingdom from August 16 to April 15 each year, paid a duty of 3 shillings per hundredweight, while Canadian apples entered free. In the Geneva negotiations free entry into the United Kingdom for United States apples was obtained. In the 1939 agreement with the United Kingdom, the United Kingdom tariff preference on Empire wheat—6 cents a bushel—was eliminated.

In the Geneva agreement French and other tariffs on American wheat were sharply reduced. There were substantial reductions in foreign tariffs on American canned milk, dried eggs, tobacco, and cigarettes; all kinds of fresh, canned, and dried fruits; and many kinds of fresh, canned, and dried vegetables.

As important as foreign tariff cuts on American agricultural exports is the indirect gain to American farmers whose best customers in the domestic market have jobs in industries making manufactured goods which demand export markets. Foreign concessions on American manufactured products mean more job holders in American industry—more paying customers in the domestic market for American farm products—especially fresh fruits, vegetables, meats, and dairy products.

Tariff reductions from 1934 through January 1, 1950, averaged 50 percent for agricultural products and 53 percent for nonagricultural products. In 1947, average tariff duties for products actually imported and on which duties were paid were 20.6 percent for agricultural and 18.2 percent for nonagricultural products. This calculation, however, excludes tariff rates which were such as to prohibit imports.

Dutiable agricultural imports subject to tariff concessions including bindings of present rates from 1934 to the present amounted to 94.6 percent of total dutiable agricultural imports based on 1947 import statistics. Dutiable nonagricultural imports subject to concessions amounted to 96.7 percent of total dutiable nonagricultural imports.

A quota may limit imports far more than a tariff, yet it cannot be calculated quantitatively in the same way as average tariff rates. This particularly affects the comparison of agricultural and nonagricultural average tariff rates, since most of the quotas are applied to agricultural products. . . . In view of these quotas, it is only possible to conclude that the average restriction on imports appears to have been reduced less for agricultural than for nonagricultural products. In other words in negotiating the agreements the State Department and other Government representatives have been particularly conscious of agriculture and while negotiating approximately equivalent tariff cuts have provided safeguards through quotas which have reduced the effect of the tariff cut. (Source: Agriculture, Trade and Reciprocal Trade Agreements, by Lawrence W. Witt, published by Michigan State College, June 1950.)

How serious has been the decline in United States exports and what have been the principal causes?

United States exports have been declining consistently for the past 4 years.

	United States exports	Decline from previous year
1947.....	\$14,252,000	-----
1948.....	12,494,000	\$1,758,000
1949.....	11,885,000	609,000
1950 (computed on the basis of 11 months).....	10,000,000	1,885,000

The principal reason for this decline is, of course, the recovery from World War II and its aftermath on the part of many foreign countries which enabled them to either produce some of the goods they had been buying from the United States or buy these goods from some other country.

However, an appreciable portion of the decline in United States exports is accounted for by the fact that foreign countries prevented their citizens from buying United States goods because we were not buying sufficient goods from them to provide the necessary dollars. In other words, despite the large grants under the European Recovery Program during this period which supplied billions of dollars, most countries found it necessary to restrict their purchases from the United States because the United States was not buying from them. United States exporters and United States workers employed in export industries suffered heavily during this period because the country as a whole had still not learned that if we want to sell we must buy.

In view of the shortage of goods, why bother about trade agreements?

There will, of course, be goods to import. When people say there won't be any goods to import, they are merely loosely suggesting that compared with the present availability of goods there will be a shortage of many commodities in the future.

It is true, of course, that we are likely to experience increasing shortages of many commodities in the future. It is precisely under such circumstances, however, that lower tariffs may make a significant contribution. For, to the extent that lower tariffs increase the volume of imports into the United States, or decrease the costs of such imports in our domestic markets, they will contribute to restraining the antiinflationary pressures with which we have to deal. Lower tariffs may thus help materially in meeting our shortage problems.

Furthermore, the trade agreements program in which the United States is now engaged involves not only reduced tariffs on our part but also reduced tariffs on the part of a great many other countries, including most of the countries of Western Europe. Such lower tariffs promote economic cooperation among these countries and stimulate their productivity—objectives we have labored hard to achieve. Under present circumstances where the free world is mobilizing to meet the threat of aggression measures strengthening the eco-

nomic capacity of ourselves and countries friendly to us are ever more important.

We have heard a great deal about the dollar gap and the need for increasing our imports. Now that the dollar gap has disappeared, why should we bother about trade agreements? Are we not more likely to be concerned about keeping our exports high enough to pay for our imports, rather than the other way around?

In the first place, it is a misconception to believe that the dollar gap problem has disappeared. Despite the large increase in imports, chiefly raw materials for stockpiling and defense purposes, United States exports are still larger than imports at the present time. For the first 11 months of 1950 our exports were running at an annual rate of \$10,000,000 and imports at \$8,700,000. In fact, in only 2 months of the 11 of 1950 for which data are available did our imports exceed our exports. These were August and October. In November our exports again exceeded our imports by \$127,000,000, or by \$108,000,000 more than our imports had exceeded our exports in the preceding month. As the defense effort of the western democracies intensifies, the demands for goods from the United States are likely to increase while the capacity of other countries to export to us is likely to decline.

Our exports are still limited by controls imposed as the result of shortages of dollars. As these controls are lifted, the demand for our exports which they have restrained will be released.

Why should we endanger the home market which accounts for over 90 percent of our sales in order to take care of our exports which amount to less than 10 percent of our sales?

Although it is true that only about 10 percent of our total national production of all kinds of goods goes into exports, that 10 percent can make the difference between profit and loss for the national economy, just as a 10-percent share of its total trade can make the difference between success or failure for a given business or firm. The 10-percent ratio, furthermore, applies to the national total. There are much larger percentages for many of our most important and prosperous industries, such as the machine-tool industry, manufacture of agricultural machinery, trucks, and other products. The same thing is true about major agricultural enterprises, such as the production of cotton, wheat, tobacco, and pork.

There is a further aspect to this question as it is phrased—the implication that foreign trade endangers the domestic market. The fact is that foreign trade benefits and enlarges the domestic market. Exports provide jobs and buying power for American producers of export products, making them better customers in the domestic market for all kinds of American goods. Imports come into the United States only when and because American industry or consumers want them and need them and can buy them to better advantage than they can buy domestic products.

Such imports cannot be said to endanger the home market.

The State Department usually contends that we should increase our imports so as to enable other countries to pay for our exports to them. Why should we not export just enough to pay for our imports?

The total prosperity of the United States would be considerably greater if both exports and imports were at the highest possible level rather than at a low level.

If we want to maintain our present high standard of living in the United States, we must maintain high levels of employment and of business activity. In order to do this, it is essential that we maintain exports at the highest possible levels. Every section of the United States produces quantities of goods seeking world outlets. New England supplies textiles, fine machinery, and hardware. The Middle Atlantic States export electrical goods, manufactures of metal, and medicinals. The South has greater supplies of cotton and cotton cloth, tobacco, lumber, and rayon manufactures than can be consumed within the United States. The Middle West efficiently produces an abundance of corn, pork, lard, dairy products, automobiles, and trucks. The West produces an ever-increasing variety of goods in tremendous volume, including aircraft, petroleum, motion pictures, fruits and vegetables, and merchant vessels. A high level of exports benefits the American economy by providing markets for certain industries seeking essential outlets abroad for their products, and also by giving American consumers the benefit of lower prices made possible through an increased scale of operations.

Of course, people in other countries are also very interested in seeing United States exports maintained at high levels. They look upon this country as the source of many essential items which are either unobtainable elsewhere or are of inferior quality when produced elsewhere. It is well known that foreigners would buy much more from this country if they could afford it.

In short, a high level of United States exports is essential not only to continued high levels of prosperity in this country, but also to supply peoples abroad with the goods without which, in some cases, they would find it difficult even to survive, and without which, in any case, they would be reduced to depressed standards of living.

Have trade agreements created United States jobs or thrown American workmen out of employment?

By stimulating exports of American products in past years and by increasing imports, trade agreements have been directly responsible for creating new jobs. To the extent that trade agreements have enlarged old markets for American goods or secured new markets, to the same extent they have created new jobs for American workers.

It is sometimes said that the additional employment created by exports will be offset by the displacement of workers through an increase in imports.

This line of reasoning is based on the assumption that all imports compete with domestic production, which they do not. A large part of our imports are necessary to maintain existing production or are complementary rather than competitive. Some foreign goods do compete with similar American goods because they sell for less. If we attempt to produce these goods rather than import them, the price will be higher, consumption curtailed, and employment reduced. There is little doubt that the jobs gained by expanding exports will outnumber any jobs lost because of imports. Further expansion of foreign trade diverts labor and capital to more efficient uses and thus should enlarge the return received by both.

As everyone knows, our standard of living and our expanding economy are based largely on more and more efficient methods of production. Increased efficiency has increased wages and lowered prices so that this country is able to maintain a standard of living unequalled by any other country, and at the same time to provide well-paying jobs to an ever-increasing population. International trade is simply another means of producing a greater quantity of goods more efficiently.

The importance of exports as a creator of jobs in the United States has recently been dramatically illustrated. United States exports declined from \$14,252,000 in 1947 to \$11,885,000 in 1949. This decline in the sales of American goods abroad was accompanied by a decline in employment in this country. It was estimated by the Department of Labor that 2,400,000 Americans in 1947 were directly or indirectly employed in nonagricultural industries in producing goods for export. To this number should be added the many farmers producing cotton, tobacco, wheat, and so forth. In 1949 it was estimated by the Department of Labor that as a result of the decline in exports only 1,700,000 Americans were directly employed in nonagricultural industries producing export goods—a decline of 700,000 job opportunities. Furthermore this decline occurred in industries generally paying the highest wages in the entire United States economy.

If as a result of unforeseen circumstances and of a tariff concession imports do increase so as to threaten serious injury to domestic industry, action can be taken under the escape clause to modify or withdraw any concession to the extent necessary to prevent the injury.

What specific United States industries were affected by the decline in United States exports and to what extent were they affected? What unemployment was caused?

The decline in United States exports which occurred from 1947 through 1949 did seriously affect certain domestic industries. To some extent and in some cases the loss of sales abroad may have been absorbed by greater sales on the domestic market, but generally speaking the period in question was one of declining economic activity. The follow-

ing statistics may give an approximate picture of what actually happened to some of the job opportunities in several industries:

Industry	Decline in exports 1947-49	Estimated decline in number of jobs attributable to exports 1947-49 ¹
	Percent	
Primary metal industries.....	32	65,000
Fabricated metal products.....	14	15,000
Machinery (including electrical).....	16	60,000
Transportation equipment.....	48	100,000
Stone, clay, and glass products.....	31	10,000
Fuel and power.....	43	25,000
Chemicals.....	213	35,000
Lumber and furniture.....	44	25,000
Wood, pulp, paper, and publishing.....	33	125,000
Textiles, apparel, and leather.....	47	60,000
All other manufacturing.....	34	40,000
Transportation.....		100,000
Trade and services.....		660,000

¹ Computed on basis of releases issued by the U. S. Department of Labor showing estimated number of workers attributable to exports for first 6 months of 1947 and for the year 1949.

² Increase.

Why has not the program been successful in lowering prices to benefit the public as it has been advertised to do?

One cannot claim that the effect of the trade-agreements program in all cases actually lowered the prices of imported commodities. One can say that the whole effect of tariff reductions is to make possible lower prices of imported products. This is true for two reasons. The removal of high tariff charges by trade agreements removes charges that would normally have been passed on to the consumer. Secondly, lower tariff charges permit greater importation, with resulting lower prices which is especially important in periods of short supply, such as the present.

It is not realistic to have expected the price of imported commodities to have fallen in recent years. Since the beginning of the trade-agreements program, the level of national income and, therefore, the general demand has steadily risen. The outbreak of fighting in Korea and the resultant expanded defense program has reinforced the demand for many commodities. For some of these, especially raw materials such as natural rubber, raw wool, tin, and copper, the supply cannot be increased as rapidly as the new levels of demand warrant, therefore, the prices of these goods rise sharply. These increases in prices, however, for the reasons stated at the outset, do not mean that the trade-agreements program has been ineffective in keeping down the prices of imported commodities, only that other, more basic determinants of prices have outweighed the price-reducing effects of the trade-agreements program.

What has the United States gained under the general agreement?

The United States has gained the following benefits from the general agreement:

First. We have obtained tariff concessions which open up foreign markets for

the products of United States industry and agriculture.

Second. We have obtained assurances of nondiscriminatory treatment in the application of tariffs and other trade restrictions against American goods. New tariff preferences discriminating against the United States are prohibited; existing preferences may be continued but not increased.

Third. We have obtained agreement that quotas, the most objectionable barrier to international trade, cannot generally be used. Certain exceptions to this rule have been permitted, such as quotas for balance-of-payments reasons, but the general agreement puts careful limitations on these exceptions and the parties have agreed to drop these restrictions when they are no longer justified under the terms of the agreement.

Fourth. We have also obtained safeguards on the use of internal taxes and other internal measures which are used to discriminate against our products and protect local industries abroad.

Fifth. The general agreement also attacks invisible barriers to international trade. Commitments designed to eliminate unnecessary and unduly complicated customs formalities and arbitrary systems of customs valuation have been secured.

Sixth. We have obtained a safeguard for our domestic industries in cases of possible serious injury from increased imports by the inclusion of an escape clause which allows us to withdraw tariff concessions, suspend other obligations of the agreement if necessary to prevent or remedy the injury. Also, there are provisions in the general agreement which allow us to use import quotas in connection with our domestic farm programs and export and import controls where our national security is involved.

Seventh. Finally, the general agreement has provided us with an international forum for the settlement of trade disputes. Insofar as it establishes a code of fair practices in the international trade field and encourages the settlement of differences by consultation rather than economic retaliation, the general agreement has eliminated a source of friction in international relations.

Does the GATT allow a country to keep itself perpetually in balance-of-payments difficulties so that it could continue to discriminate against us as long as it wanted to?

I presume you are referring to article 12 (3) (b) (i) which says that no contracting party shall be required to withdraw or modify restrictions for balance of payments reasons on the ground that a change in domestic policies would eliminate the balance-of-payments difficulties and thus render unnecessary the restrictions.

I think the answer to your question is that, as a matter of strict legal right, if a country wanted to pursue employment or development policies which would keep itself in balance-of-payments difficulties, the other contracting parties could not object under the agreement. How-

ever, the contracting parties also undertake to have regard to the necessity of establishing a sound and lasting equilibrium in their balance of payments, and, in dealing with their employment and development problems, to follow methods which will expand rather than limit international trade.

Moreover, no country can afford to keep itself in balance-of-payments difficulties. To do so means that it must deny its people the right to purchase things they want where they want to buy them. It means that it must deny its people things they want. Therefore, I am convinced that the natural national self-interest of countries will lead them to every effort to get themselves out of balance-of-payments difficulties as rapidly as they can. Certainly the efforts now being made by the OEEC countries to restore their international trade indicate that they are working hard to get out of these difficulties.

Finally, I do not think there is any country, including the United States, which would recognize the right of other countries to question its basic domestic policies.

What authority did we have to enter GATT and are we exceeding that authority?

We believe that the provisions to which we have agreed in the GATT are provisions which the President has authority to agree to under the Trade Agreements Act and his general power in the field of the conduct of foreign relations.

The provisions to which we have agreed were necessary to safeguard the tariff concessions that we obtained at Geneva. Otherwise these tariff concessions could have been nullified. The provisions in GATT are similar to those contained in the earlier bilateral agreements, which were inserted for the same purpose. The main difference is in the fact that GATT is a multilateral agreement rather than a bilateral agreement and the provisions are consequently more elaborate. In addition, world conditions have greatly altered since negotiation of the last bilateral agreement necessitating some further elaboration to meet these specific developments. In essence, however, precedents may be found for almost every general provision of the GATT in the provisions of the prewar agreements.

In some cases the provisions of the GATT differ from our own laws. In these cases we are not fully applying the GATT since it is in effect only provisionally and to the extent not inconsistent with the existing legislation of the parties to it.

There is nothing in the Trade Agreements Act which even suggests that the authority to enter into trade agreements with other countries is limited to merely bilateral agreements. If we have the right to enter into a multilateral agreement, the authority is certainly broad enough to permit us to agree to general provisions which safeguard the concessions obtained in the general agreement.

What happens to the concessions we

obtained in the general agreement now that action on ITO has been indefinitely postponed?

The concessions we obtained in the general agreement remain intact for the present. However, under article XXIX of the agreement, the contracting parties agreed to meet to consider whether the agreement should be amended, supplemented, or maintained if the charter of ITO had not entered into force by a certain date.

It appears unlikely at the present time that the contracting parties may wish to terminate the entire agreement under the provisions of article XXIX.

Other countries may, under the provisions of this article, propose modifications to the general agreement. Whether or not these modifications are accepted will depend upon the results of negotiation and the attitudes of the other contracting parties at the time the proposed modifications are made.

Such amendments as may be proposed under this article are not likely to directly affect the actual tariff concessions but may seek to change one or more of the general provisions of the agreement. To the extent that these general provisions safeguard the tariff concessions, such modifications might affect the tariff concessions we have obtained under the agreement.

Is the President trying to get the escape clause in the trade agreements that do not have the clause now?

Yes.

In October 1950, the Swiss agreed to the inclusion of the escape clause in our trade agreement. As a result of the Torquay conference three more countries with which we now have bilaterals will assume the escape-clause obligations, namely, Peru, Turkey, and Uruguay.

Now that it is clear that there will be no large-scale negotiations for accession to the general agreement during the next several years we will be able to move ahead in obtaining the inclusion of the clause in our bilateral agreements. In this connection two points may be made. First, one of our bilaterals, with Argentina, now contains a provision which allows escape in that it provides for termination of the agreement if the Government of either country feels that the other has adopted measures which have the effect of prejudicing the commerce or industry of the country desiring to consult. Second, it should be noted that because of the nature of trade between the United States and certain of the countries with which we still have bilaterals, the inclusion of the escape clause in those agreements is likely to be of greater benefit to the other countries than to the United States—for example, agreements in which we have given primarily duty-free bindings—cocoa, coffee—in return for duty reductions by the other country.

The countries with which we have bilateral agreements not containing the escape clause—assuming accession to the general agreement by Peru, Turkey, and Uruguay—are as follows: Argentina,

Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Iceland, Iran, and Venezuela.

How much remains of the President's authority to reduce rates of duty by 50 percent from their level on January 1, 1945?

Statistically, using 1947 as a basis no reductions have been made in the level of duties prevailing on January 1, 1945, on 37 percent of United States dutiable imports, while on 44 percent of dutiable imports in that year less than 50 percent reduction has been made. The full 50 percent reduction has been made on 19 percent of 1947 dutiable imports. The following table shows the data:

United States dutiable imports for consumption in 1947, total and by extent to which rates have been reduced below Jan. 1, 1945, level

	Millions of dollars	Percent of total
Total dutiable United States imports.....	2,206	100
Rates reduced below Jan. 1, 1945, level.....	1,383	63
Reduced full 50 percent.....	422	19
Reduced less than 50 percent.....	961	44
Rates not reduced below Jan. 1, 1945, level.....	823	37

¹ Also includes products on which the Jan. 1, 1945, rate of duty was bound in the General Agreement on Tariffs and Trade. A list of the principal items on which the duty has not been reduced below the 1945 level is attached.

In using these statistics it should be appreciated that they do not show the amount of bargaining power remaining under the authority nor should they be taken as an indication of the amount of trade on which duties will be reduced 50 percent or less than 50 percent in future negotiations.

The negotiating process is such that a binding of a rate at its existing level whether or not that level has been reduced in past trade agreements is a concession for which other foreign countries may be willing to give concessions in future negotiations. Similarly a small reduction in the tariff on one item may offer greater opportunity for trade expansion than a much larger reduction in the tariff on another item. The relative size of different imports in total United States import trade is also an unreliable measure of the importance of an item since a product which bulks small in our total trade may be of primary importance to the export trade of some smaller country.

On the other hand, the figures indicating how much authority to reduce tariffs has not yet been used cannot be taken as equivalent to an indication of how much usable bargaining power remains. There are items which would not be reduced unless some change were to occur in existing circumstances and conditions, including some which have not been reduced at all up to this point. Others which have been reduced only a little may already be at the lowest point which would be consistent with domestic welfare at the present time or in the foreseeable future.

Principal dutiable import items on which no reduction has been made from 1945 level of duty

Tariff paragraph and commodity	1947 imports (\$1,000)	Principal supplier (1947)
1733. Crude petroleum.....	161,535	Venezuela.
1528. Diamonds, cut but not set, suitable for jewelry, except from Cuba.....	52,622	Belgium.
367a. Watches and watch movements.....	40,471	Switzerland.
1733. Residual fuel oil.....	35,086	Venezuela.
392. Lead pigs and bars.....	33,886	Mexico.
783. Raw cotton (principally 1½ inches or more).....	133,525	Egypt.
762. Caster beans.....	24,666	Brazil.
772. Tomatoes in natural state, except from Cuba.....	19,862	Mexico.
1507. Bristles, sorted, bunched or prepared.....	19,063	China.
502. Molasses not to be used for human consumption, from Cuba.....	14,954	Cuba.
38. Quebracho extract.....	13,905	Argentina.
393. Zinc bearing ores, except pyrites.....	11,816	Mexico.
394. Zinc blocks, pigs, or slabs.....	11,517	Canada.
1116a. Oriental hand-made woolen rugs at minimum ad valorem rate.....	10,977	Iran.
92. Vanilla beans.....	9,194	Madagascar.
706. Canned beef, including corned beef, at minimum ad valorem rate.....	8,683	Argentina.
1401. Uncoated book and printing paper.....	7,912	Canada.
391. Lead ores, except from Cuba.....	7,544	Mexico.
1205. Woven fabrics, all silk; over 30 inches wide; not jacquard; in the gray (except bolting cloth n. s. p. f.).....	6,997	Italy.
701. Dairy cows, over 700 pounds.....	6,597	Canada.
19. Casein.....	6,240	Argentina.
1803 (1). Maple (except Japanese), birch and beech lumber, except flooring.....	5,920	Canada.
717b. Cod, etc., filleted, etc., under quota (ground fish fillets).....	3,985	Do.
367 (d). Jewels for watches.....	3,985	Switzerland.
369 (b). Motorcycles.....	3,945	United Kingdom.
1504 (b) (1). Palm leaf hats (Toquilla) not sewed, not bleached, etc.....	3,736	Ecuador.
733. Tulip bulbs.....	3,571	Netherlands.
367 (f). Watch cases.....	3,443	Switzerland.
718 (a). Tuna fish in oil.....	3,241	Peru.
1101 (a). All other wools not finer than 40's in the grease: Combing (worsted) type.....	3,171	Argentina.
1530 (c). Vegetable tanned goatskins.....	3,076	India.
1529 (a). Synthetic textile hat braids, valued at more than \$1 per pound at minimum ad valorem rate.....	3,035	Switzerland.
1102 (a). Wool, finer than 40's, not finer than 44's in the grease: Combing (worsted) type.....	2,941	Argentina.
1019. Jute bagging for cotton, gunny cloth, etc., not bleached, etc., weighing 16 to 32 ounces, per square yard.....	2,514	India.
757. Filberts, shelled.....	2,245	Turkey.
1803 (1). Mahogany, sawed, not further manufactured than planed, and tongued, except from Cuba.....	2,215	Mexico.
1530 (c). Reptilian upper leather.....	2,027	India.
718 (a). Anchovies in oil, valued more than 9 cents per pound.....	2,027	Portugal.
367 (c). Watch parts.....	1,946	Switzerland.
741. Dates, fresh or dried, with pits removed, in packages over 10 ounces.....	1,685	Iraq.
1203. Thrown silk.....	1,684	Canada.
1548. Moss peat, poultry and stable grade.....	1,248	Do.
1530 (c). Women's cemented shoes.....	1,259	Argentina.

¹ To be considered at Torquay.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, the distinguished chairman, Mr. DOUGHTON, Mr. COOPER, and other members of his committee, the Committee on Ways and

Means, have fully and completely presented this measure—so-called the Cordell Hull Reciprocal Trade Agreements Act extension—for our consideration today.

I wholeheartedly support the extension of the Trade Agreements Act as called for in the measure we are now considering. To feel otherwise would be contrary to my deep and abiding belief that the setting up of extreme obstructions to international trade only results in barriers of friendship between nations which can lead to war—and it is likewise my belief that in destroying, so far as it is possible and feasible, barriers of commerce and economic friendship among nations we are promoting and encouraging peaceful relations among the nations of the world.

As is generally known, Mr. Chairman, that great statesman, Judge Hull, of Tennessee, devoted many years of his life to a study of the problems affecting our trade and commerce with other nations and the reciprocal-trade-agreements program was and is the product of his handiwork and statesmanship.

Judge Cordell Hull was and is one of the greatest champions of peace of modern times. It was through the efforts of Secretary of State Cordell Hull that our great country was removed from the realm of the economically isolated and brought into the community of nations. This instrument, the Reciprocal Trade Agreements Act, has fostered peace, trade, and commerce among many nations, regardless of what others say to the contrary. I am pleased to support this measure and to urge its renewed adoption.

I recall some years back when the distinguished chairman, Mr. DOUGHTON, appeared before the committee to urge approval of a previous extension of this act that he said:

If Cordell Hull in all his long public career ever said or did an unwise thing, I never heard of it.

And the distinguished chairman has enjoyed a long and fruitful friendship and association with Mr. Hull and knows whereof he speaks.

The Congress first approved the Trade Agreements Act more than 17 years ago. The soundness of that program has been proved over and over again by the fact that, with very few changes and alterations, it is today the same program as envisioned by Mr. Hull, its author.

Under the operation of the act, this nation—despite the intervening tragedy and misfortune of a world war—has attained a prosperity never before achieved by any nation on the face of the earth. The contribution to our economic prosperity which has been made possible by this great act cannot be estimated alone in dollars and cents—though the statistics which may be presented show such economic gains to be tremendous. The full estimate of the accomplishments made possible under the Reciprocal Trade Agreements Act must also be measured in terms of international good will and friendships which our Nation has earned—friendships which have developed into alliances in our military interest.

Mr. Chairman, I speak for the farmers of my district, the manufacturers, and all the people, when I strongly urge the approval of a further extension of the Trade Agreements Act. It has meant so much—it will mean so much more in the future for commerce, for good will and for the prosperity and well being of the people of the United States. I trust this measure will be speedily approved and the Cordell Hull reciprocal trade agreements program extended.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, the Republican Party has always stood for just reciprocal trade agreements, agreements that give reciprocal benefits to both sides. We still are for this doctrine, but we want it to be conducted openly, and with full consideration for the interests of the working people of this country.

The basic and all-important problem to be considered in lowering and adjusting tariffs is the question of what we are doing to our own people and what we are doing to their security and their jobs. World trade should be encouraged, but the reciprocal trade program should be managed in the interests of the American people. In reducing tariffs to help economic prosperity throughout the world we must not take the lining out of the pocketbooks of the American people.

When the reciprocal trade law is extended by Congress it must contain provisions to safeguard and protect the jobs, the homes, and the high living standards of the American workers, male and female. Legislation extending reciprocal trade must contain the peril-point provision to protect American labor and industry.

The Republican Eightieth Congress enacted a Reciprocal Trade Agreements Act which contained the peril point. This gave workers protection against losing their jobs through the importation of competing foreign manufactured goods, either duty free or at such a low tariff rate as to enable the importer to undersell comparable and better made American products.

We all know what happened to many segments of American industry in 1949 and 1950 when the American producers lost the protection of the peril point amendment.

Unemployment was widespread in many sections of the country, all caused by the flood of cheap goods coming from abroad. The watch industry of the United States was practically wiped out. Thousands in the pottery industry, in hat making, in shoe manufacture, in rubber goods, in the textile manufacture, lost their jobs in 1949 and 1950. New England was particularly hard hit by the influx of foreign made goods, and the damage of the administration's cheap and unprotective tariff policy swept across the Nation to the Pacific coast, affecting the lumber, fishing, and fruit and nut industries with their thousands of employees.

There is hardly anyone in the United States who does not want to see Europe, Asia and the other parts of the world

restored to the positions they once occupied, and their people again enheartened by hope and faith. American taxpayers through their toil and effort have spent billions of their dollars for the rehabilitation of the war-torn globe. Surely no one can accuse the United States of failing in this objective. But how can the United States help the world unless we ourselves are prosperous? Reciprocal trade legislation which is not reciprocal to the United States could wreck American trade and economy. The administration's management of the reciprocal trade program in 1949 and 1950 proved the dangers to the future of American industry. If the United States is wrecked, to whom then will the rest of the world turn?

The reciprocal trade policy of the administration is filled with fallacies. The United States is engaged in a global fight against communism, and the people have generously put up their money to carry on this battle. But while we are trying to curb the Reds on one hand, we turn around and build up communistic countries with the other. A large percentage of the cheap foreign imports which caused the doors to close on American factories come from countries behind the iron curtain.

This extension of the reciprocal trade law is for 3 years. Under the administration's program for the next 3 years, the workers and manufacturers in foreign lands are to be favored at the expense of a large segment of American industry.

We can continue our world trade program without the menace and fear of unemployment at home. We can do that by adopting the peril-point amendment. This is a simple provision but a most important one to hundreds of thousands of our workers. The peril-point section merely provides that the Tariff Commission must certify to the President tariff reductions which have reached the point where they imperil American jobs and American industry. Then it provides that if the President decides to go ahead and lower the tariff, he must so notify the Congress and explain to the Congress and the American people and those whose jobs will be imperiled the reason why he is taking such action.

Certainly Congress, the people, and above all thousands whose jobs will be threatened, have a right to such information. This is a wise and sound provision that should be restored to the Reciprocal Trade Act.

We are considering a tariff act designed to last for 3 years. None of us knows what these years will bring, peace or war. The administration is most anxious to aid world economic recovery and increase trade with other nations. I ask why the administration is not as anxious to make sure within the next 3 years that goods manufactured by slave labor behind the iron curtain will not cause the collapse of American industries and the loss of employment to our workers?

I understand, of course, that with allocations and controls in effect a reciprocal trade issue right now is academic. We can sell all the goods we can manufacture. But these war conditions may

not last. I hope they do not, because they would ultimately bring destruction to all of us. And when this feverish war preparation abates, we may well find that we have legislated ourselves into a situation where factories will close and millions of people will be thrown out of work. We must take the necessary safeguard now.

Why is it too much to ask the President to tell Congress why he is lowering tariffs? Congress, under the Constitution, was entrusted with the establishment of tariffs. It should and must for the benefit of our workers retain control of these constitutional rights.

This is not a partisan fight. It is an American fight. It is a fight that must command the interest of scores of little industrial concerns in New England. It is a fight that must appeal to the coal and pottery workers of West Virginia and Ohio. It is a fight of vital concern to the agricultural sections of the West and the dairy farmers of the North. It is a fight of deep interest to the lumber, fishing, and fruit industries of the west coast. It is a fight of concern to the sugar, cotton, peanut growers, and other industries in the Southland.

Yes; it is an American fight, and what we do here now may well fix the responsibility for the prosperity or lack of prosperity of the American people 2 or 3 years hence.

Hundreds of thousands of American boys and men are being drafted into the armed service to hold back the menace of Communist aggression. These servicemen will need jobs when they come home. We all have the responsibility to see that they have work, and adoption of the peril-point amendment is the best means of assuring them that they will again have jobs at American wages.

It will benefit these men very little if they turn back Communist aggression abroad only to fall victims to economic aggression at home.

Mr. MILLS. Mr. Chairman, I yield 16 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, the demands of today, the uncertainties of the future, make a sound economy a "must" for America. This is no time for economic experiments. To depart too far from sound procedures is to invite disaster.

If we are to be the bulwark of civilization and the protector of world democracy; if we are to succeed in setting up on adequate defense pact for the free nations of the world, we must realize that our armed strength will be no better than the economic strength we can and must put behind our efforts.

In the consideration of H. R. 1612, to provide for extending certain trade agreements, which will expire in June 1951, we are dealing with one of the vital factors of our economy. When we lower import duties, we curtail Government revenues. To say nothing of our loss of purchasing power and the ability of our workmen to pay a greater part of their income into the Federal Treasury as a tax. An idle man is an economic liability not an asset.

In 1945 and again in 1949, when these trade pacts were up for periodic renewal, I carried on a losing battle on the floor of the House to protect the interests of the industries and the workmen of my district, particularly those employed in handmade glassware, pottery, and woodworking plants.

West Virginia has suffered more from this legislation than any of the other 48 States. It is the center of the glass and ceramic industry which was among the first to feel the brunt of foreign competition. In the past few years our two most basic industries, coal and crude oil are threatened. Other industries, too, are finding it increasingly difficult to maintain wage levels, working hours, and many other conditions of employment.

I have said and I repeat, Mr. Chairman, I object to the State of West Virginia being made a guinea pig for further experiment. The experiences learned in 16 years since the inception of the reciprocal trade idea in 1934 is such that one is forced to the conclusion that my own State's economy will be destroyed by the extension of the existing act. Particularly, is this true, if the renewal carries the authority to any Government agency to grant further tariff cuts and if the so-called escape clause, now the figment of someone's imagination, is not liberalized and legalized by being written into the language of the basic act itself.

At no time since the enactment of the Smoot-Hawley Tariff Act in 1930, has our Nation, or for that matter, the world itself, functioned under normal conditions. Things were abnormal in the early thirties because of a world depression. They were abnormal in the early forties because of a great world war. They are abnormal in the early fifties because of the dire threat of a third world war. What I want to say, Mr. Chairman, is that the Reciprocal Trade Act has not demonstrated that it is an asset to our national economy. It has never had to meet the impact of normal world competition under normal conditions.

If our national economy is to be a sound economy, we must maintain a favorable trade balance. Our exports must exceed our imports. Only on 2 occasions in the past 16 years, have we approached periods of normalcy. In the years just prior to World War II, we witnessed a sudden increase in foreign imports. American-made goods were in some instances, driven out of the markets. We then had more imports than exports. This was the first test of our reciprocal trade policy. Conditions were rapidly approaching normal. Pre-war and wartime defense activities in the late thirties halted this trend and a new cycle of abnormal conditions gripped this country.

Another approach to normal levels, came in mid-1950, only to be again interrupted by the Korean War emergency. It is interesting to note, Mr. Chairman, that in both these instances as we came near to normalcy, we were faced with a gradual shift in our trade balance. In the month of October 1950, we faced an unfavorable trade balance when imports exceeded exports for the first time since 1939.

In this connection, Mr. Chairman, I should like to call the Committee's attention to the fact that had we not taken credit for approximately \$100,000,000 monthly of exports synthetically created by the use of the Marshall plan funds, we would have encountered an unfavorable trade balance for most of the year. What is the answer when ECA funds stop flowing to Europe? The answer is plain—a continuing trade deficit.

I wish to protest the use of ECA funds as direct aid to foreign industries in modernizing their plants that manufacture goods for import into this country. The extent of this practice cannot be determined at present. Here are two instances as proof of what is going on in the ECA. The first is a project in Germany, where the Glaswerke Ruhr, Essen-Karnap, which produces 20 percent of all hollow glassware in the Republic of Germany. A direct grant of \$1,837,000 plus \$212,000 in ocean freight has been made from Marshall plan funds. Modern American machinery and equipment is being installed and will be in direct competition with the products of three glass plants in the city of Weston in my district. Two thousand workers are employed in the German plant. Their hourly wage is 31 cents per hour as against an average wage of \$1.42 per hour in American plants. This plant is exporting 6,000 tons annually and most of it is intended for the American market.

Another project, also in the field of glass production, is underway in Greece, where a grant of \$1,832,000 has been made to the Hellenic Chemical Products Co. This is for the purpose of boosting the output of this plant by 70 percent and a huge surplus above local needs will be available for exports.

Plans are also underway for a similar project to modernize and rehabilitate the French glass industry. How much more of this kind of competition which is made possible by the American tax dollars can our industry endure? I am getting d— well tired of voting money to create jobs for the workingmen in Europe and in so doing cause unemployment in this country.

England has been able to restore the British pound and to stabilize her economy by exporting double the amount of her imports. If we are to have a sound dollar and a stable economy, we could well follow Britain's policy. Her position in the United Nations Council in opposition to economic sanctions against Red China is in line with her policy of placing economic greed above political obligations. Yet, we go on extending her trade concessions and direct economic aid under the Marshall plan.

Official statistics of the United States Commerce Department for the year 1949 show 12,071,000 pieces of table and art glassware were imported into this country. The total foreign value of these imports was \$2,940,400, or a monthly average of 1,006,000 pieces of glassware. Now, let us see what happened in the last half of 1950. For the month of June the total pieces imported jumped to 1,646,000 and by the month of August had leaped again to 2,895,800 pieces. Where did these imports come from? Czechoslovakia and Poland, both of which are behind the

iron curtain, were the worst offenders out of a total of 15 countries that import this type of glass into our country.

Typical of this kind of business is the pottery industry. Rates of duty on nearly all of our products have been decreased a full 50 percent below those in the 1930 Tariff Act. The rates in that act were wholly inadequate to enable us to meet foreign competition, as witness the steady and rapid increase in imports of all types of dinnerware from 1931 to 1938. During all those years and before the rate reductions in the British treaty had any effect Japanese china of good quality was selling at retail at less than the cost of production in American factories.

Since then, in spite of our protests, duties on both china and earthenware have been lowered in trade treaties with Great Britain, Mexico, Italy, Czechoslovakia, and France. All such reductions have, of course, applied to our imports from Japan and Germany since the war. The inevitable result has been that imports of dinnerware and fancy goods from all of these countries have increased just as fast as they have been able, with the use of our money, to get productive facilities back into operation.

Just as inevitably did production and employment in American factories show a steady decline from early 1949 to August 1950. Since early in July of last year, evidently as a result of the Korean War, sales of nearly all civilian goods and particularly housewares have increased substantially and the potteries generally have been reasonably busy. It must be admitted that this is an abnormal situation and through our experiences of 1949 and early 1950, we have no delusions of what is going to happen to us when we are really at peace.

Statistics, which I have received from the United States Department of Commerce on household chinaware and kitchen articles and on earthenware and china art and decorative articles, are more alarming. In these two categories, imports for 1949 were 9,392,000 dozen with a foreign value of \$14,943,000. The average monthly rate was 773,000 dozen. Let us see what it was in the last half of 1950 when we had more imports of all kinds than we had exports. In October, imports jumped to a total of 1,636,000 dozen. This was 2½ times above the monthly average for 1949.

Total sales of all domestic potteries were \$77,500,000 in 1948. In 1949, they were \$64,000,000, or a drop of 17 percent. During the same period, imports of competitive products increased 24 percent.

For the first 6 months of 1950, our sales were down more than 25 percent from 1949, and imports were up over 30 percent.

During the last 3 months reported by the United States Department of Commerce, August, September, and October of last year, imports of all dinnerware and fancy goods were 65 percent above the same 3 months of 1949. China dinnerware alone increased nearly 79 percent and art wares increased 72 percent; and practically all of this increase came from Japan and Germany. Without the sudden upsurge of buying by the American public during the past 6 months, it is

not hard to see what would be happening to our pottery industry. Because in directly comparable ware, the retail price of the Japanese product is less than one-half the American.

It is interesting to note in this connection, that the British Pottery Board of Trade just recently wrote directly to General MacArthur, urging that he do something to decrease the Japanese exports of china to the United States or increase the prices; or the American market for British china would be ruined.

One other instance in which my State of West Virginia is being harmed in this manner is found in the spring clothespin industry. We have the largest plant of this kind in the world. Let us look at what happened in the year 1950 when the Korean War emergency came on. The country of Sweden is our main competitor. In the year 1949, she imported 614,000 gross of this type clothespin. In the month of October 1950 the rate of imports was 193,000 gross or an annual rate of above 2,000,000 gross.

Highly tempered steel is required in the manufacture of these clothespins. Now that we have frozen steel for essential use, our domestic producers are handicapped and lose their market to Swedish producers. This happened in World War II when imported clothespins sold for 49 cents a gross and it cost 83 cents to manufacture the same article in our plants in my district.

I want to cite another instance where my State's producers are handicapped in the recent freeze order on cobalt. This material is used by glassware producers for coloring. It is grossly unfair to permit the use of this product by foreign producers who are in a position to take over the American market. These two instances are, I think, a strong argument for the imposition of import quotas so as to protect American producers from the loss of their market.

Another sector of my State's glass industry is now feeling a sudden impact of imports. I now refer to the sheet glass—window glass—industry where we are facing increased imports of Belgium glass as high as 400 percent. Czechoslovakia has in recent months flooded our domestic market with lightweight sheet glass used for scientific and pictorial purposes. Here the imports are 50 percent above the total domestic production of this type of glass.

Coal is king in West Virginia. It is our State's major industry. Our greatest source from which to get taxes for the support of our lesser governmental units. Anything that harms the coal industry harms our economy. The same can be said of the oil industry, another of my State's basic industries. The major part of our oil is independently produced and it is here that we find this industry threatened with extinction by the mounting and uncontrolled imports of crude oil from the Near East, Mexico, and Venezuela. Importations are in excess of 1,000,000 barrels daily. Imports in excess of 450,000 barrels daily causes a curtailment of domestic production. This causes unemployment and a loss of purchasing power of thousands of employees in the industry. Profits are wiped out and a stable sector of our economy crip-

pled with a resulting loss in tax revenues to the Nation and to the several States.

Coal is affected indirectly in that it is losing its markets to cheap residual fuel oil produced from the crude oil that is flooding our markets through import duty concessions granted under these reciprocal trade pacts. For years, my State has enjoyed a lucrative market for coal in New England and on the eastern seaboard. In the year 1948, we sold 21,000,000 tons. As the result of competition from these cheap oil products, our sales in 1949 were down to 13,000,000 tons. In 1950, the trend was still downward. During most of 1950, a large part of our mines were either idle or working on a part-time basis. The Korean War emergency by creating added demand for fuel, has improved this situation, but this is only temporary relief. The basic danger still remains as a threat when the emergency passes and we get back to normal.

We cannot escape the fact that this situation is brought on by the activity of five of our major American oil companies, who hold and operate the concessions abroad. Testimony taken before a House subcommittee of which I was a member, showed that the cost of producing a barrel of crude oil on these concessions in the Near East, was 41 cents per barrel as compared to \$2.65 the cost of production in this country. Out of this 41 cents of original cost residual oil represented 17 cents per barrel after the gasoline, lubricating oils and other distillates were removed. This residual oil was sold under contract for \$1.60 per barrel. Four barrels of this oil has the same B. t. u. as one ton of West Virginia coal. Now this means that four barrels of oil sold at \$1.60 a barrel or \$6.40, displaces a ton of coal that cost to produce in our mines in West Virginia, plus transportation costs, a total of \$10.95.

It is easy to understand the earnings report of those large oil companies when we see the profit coming from a product that costs 17 cents per barrel, being sold for \$1.60 per barrel. Yet, we go ahead with a trade treaty that allows these monopolies to make millions annually while exploiting and controlling the domestic oil industry to the detriment of all independent producers. If we are to extend these trade pacts for another 3 years, then we must in justice to our own producers, find some way to limit these imports.

Mr. Chairman, when the initial Reciprocal Trade Agreements Act was adopted in 1934, the administration had the active support of the Nation's three great labor groups and at least a tacit acceptance from the country's leading industries. That situation does not exist today. As a member of a Subcommittee of the House Committee on Education and Labor, taking testimony on the effects on employment in this country as a result of mounting imports of oil from the Near East and Venezuela and Mexico, I heard our reciprocal trade policy roundly denounced by representatives of both the oil industry and the coal industry. They were joined in this denunciation by both the oil workers union and by the United Mine Workers Union.

Only recently, the Nation's largest union group, the American Federation of Labor, at its national convention, Houston, Tex., adopted resolutions of protest against unfair wage and labor conditions as a result of the operation of our Reciprocal Trade Act.

A danger to our basic economy, as well as to our national existence, is found in the so-called favored nations agreement which not only extends concessions granted to one member of the reciprocal family and to other members, but also permits a nonagreement nation to take advantage of our tariff concessions.

As a result of the most-favored-nation principle, reductions in duty and other concessions made by the United States with all countries under the trade-agreement program are automatically extended to Russia, Communist China, and all other Communist-dominated countries. We now have trade agreements with approximately 45 free countries covering literally thousands of imported items, and the benefits of all these concessions contained in these agreements are now benefiting Russia, Communist China, and their satellite iron-curtain countries.

In the case of Russia, for example, approximately 88 percent of its dutiable imports into the United States benefit from reduced rates provided in trade agreements by us with free countries and 92 percent of the tax-free imports from Russia consists of products bound on the free list in trade agreements with free countries.

In the case of Communist China, 72 percent of the dutiable imports into the United States from that country benefit from trade agreement concessions granted by us to free countries, and 75 percent of the duty-free imports of that country benefit from our concessions to the free nations.

In conclusion may I impress upon my colleagues the fact that the so-called escape clause now in use, and which is not a part of the basic Reciprocal Trade Act, is nonworkable and unfair. If we are to renew these trade agreement pacts, it is essential that the act itself spell out in plain English what avenues of relief are available to harassed domestic producers. At present the State Department has arrogated the authority extended the President to provide safeguards by writing into existing reciprocal pacts an embargo on setting up of import quotas on all products except certain agricultural products. In doing this they have acted without the authority of law, and any remedy aimed at relieving any domestic producer injured by the operation of the trade pact must be a part of the basic act itself.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Kentucky.

Mr. PERKINS. I would like to ask the gentleman if his statement is correct that there is no provision in Public Law No. 316 spelling out the escape clause.

Mr. BAILEY. There is no provision in the basic act for an escape clause.

Mr. PERKINS. What cooperation has the gentleman received of the State De-

partment in considering a basic industry such as coal when residual oil is in competition with such a basic industry?

Mr. BAILEY. Well, I have never gone to the State Department with it, but I tried it out in the case of clothespins, and I got a royal brush-off, and I assumed I would get it in regard to oil just the same as I did with clothespins.

Again, Mr. Chairman, I could call the attention of my colleagues to the necessity of abrogating at once the existing trade agreement with Czechoslovakia. No defense can be offered by the Congress for our continuing favor to a Russian satellite nation. I shall, Mr. Chairman, if the opportunity affords, offer amendments aimed at strengthening the escape provisions of this legislation and to direct the President to terminate the existing treaty with Czechoslovakia on the terms and in the manner set forth in the act itself.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I am going to make a few realistic comments in regard to the extension of the Reciprocal Trade Agreements Act. Our own position as a Nation and our national security are at stake. It is time that we stop theorizing and take a look at the facts.

The reciprocal trade agreement program was sold to the American public as a program which would promote trade and world peace. In my opinion the trade agreements during the thirties, prevented the recovery of the American price level and kept the United States in a state of depression. With the United States in a depression the world could not get back to a state of prosperity. The poverty created by low prices made it possible for Hitler, and his ally, Mussolini, to lay the groundwork for World War II. Instead of promoting peace the trade agreements promoted war.

In the period following World War II our price level has increased about 80 percent and the hourly wage of our industrial labor has increased in proportion. On the other hand much of the world has come under Soviet influence and England through its socialistic policies and devaluation of the pound has held their wage level to about one-third that of the American worker. This differential in prices is very dangerous to our national security and a policy of free trade without any protection for our national economy is the best aid and comfort that we can give to communism.

Just before the close of the Eighty-first Congress, I made a brief statement as to the need of equity in trade and pointed out that we cannot have peace when one neighbor cheats another—CONGRESSIONAL RECORD, volume 96, part 11, pages 15141-15142.

Let us briefly examine our own economy. Our national income is created by our unit production of goods and services times the price per unit. In the last quarter of 1950 our national income was running at a level of \$254,000,000,000. At the present time a drop of 10 percent in our price level would mean a loss of \$25,000,000,000 in national income.

Under a free-trade policy, Russia by dumping her products on the world market can break our price level and bring about the economic chaos that will destroy our American system from within.

At the present time we are engaged in a program of military preparedness. We find ourselves short of strategic materials—copper, lead, zinc, manganese, tin, and so forth. Why are we short of these products? We are short of these products because we destroyed our own production under a concept that we could import them cheaper from other nations. After World War II, the price of our domestic strategic materials was permitted to drop, and our domestic mines closed by the thousands. They could not compete with cheap foreign labor. Even, at this moment, the administration has not taken definite steps to produce these materials for national defense. Our whole economic structure is being threatened by shortages and our military program is faced with dangerously small stockpiles of these critical materials.

In case of war, Russian submarines can, and no doubt will, prevent the importation of a mighty lot of these materials—just as Hitler did in 1941 and 1942—and without them we would be unable to defend ourselves. The Eightieth Congress passed legislation to provide for the production and development of strategic materials in the United States. The President vetoed the bill. Other attempts have been made to pass similar legislation and such legislation has always been sidetracked because it conflicted with the theories of the reciprocal trade agreements. Because of our we-give-and-you-take trade-agreements policies we have been prevented from producing the very things so vitally needed to defend the United States let alone the jobs and income that could have been created by the production of strategic materials.

Speaking frankly, the result of their operation is clearly that of economic suicide for the United States.

Let me next point to what is taking place under these trade agreements. We find England engaged in an economic war with Argentina. The low-wage level in England requires cheap products if they are to buy from other nations. England at the present time is trying to force Argentina to sell chilled beef for 17 cents per pound. Think of it in comparison with American prices. To bring Argentina to her knees, the British Government has rationed her people to about one-half of a pound of meat per week and the issue threatens the stability of the English Government.

On the other hand, England is making us pay through the nose for rubber and tin, the production and sale of which is controlled by the British Government. This policy of buy cheap and sell high, is the very source of communism and socialism.

We cannot expect to sell American products to Argentina produced with industrial labor at \$1.51 per hour and then have other nations buy their meat for 17 cents per pound. They cannot possibly trade with us even though we remove the few tariffs that remain.

Therefore I hope that this Congress will take steps to discontinue the present trade-agreement program and give the world a program which will promote equity of trade. How can we do this? It is not a complicated program. We should notify the rest of the world that we are going to protect our price and wage level at the point of national solvency. Second, that we are willing to trade with any nation in the world and pay them a comparative price for such products as we may need.

For example, if a tractor produced in the United States sells for twice the number of dollars that it sold for in 1925-29, the last period of any semblance of world stability in foreign exchange, then we should stand ready to pay twice the price level for existing imports at that time.

China, India, South American countries, or any other nation does not like to be cheated in trading their products because of currency devaluation or low prices such as England is trying to force Argentina to accept.

As a Member of Congress, I want the American worker to have a good wage in line with the American cost level for goods and services. I am also willing that we agree to pay a comparative price for anything we may need in the way of imports.

During the past year, in the third quarter September to October, our foreign trade was in balance for the first time in many years. What brought about this balance? It was not the trade-agreement program but a price for world raw materials at the American level. Other nations by selling us their products at a proper price level were able to earn their dollars, which we have been forced to donate under the Marshall program mainly because they are forced to sell their commodities at starvation prices.

In my opinion the nations of the world would welcome this kind of program. After centuries of exploitation they would welcome a price for their products that will permit progress, economic development and a higher standard of living.

Had we followed such a policy, our domestic mines would be in production and our stockpile of strategic materials would be ample for our needs. We would not be in a position of shortages which tend to disrupt our domestic economy and force many business institutions to curtail their production even to the point of closing up entirely and throwing our wage earners out of work by the millions, except during periods of war production.

With such a program we could give the world true economic leadership in building a foundation for world peace. A continuance of our present trade agreement policy will continue the exploitation of weaker nations and undermine both our national income and the domestic production we will need in the future to protect our Nation and our American system.

Why permit politics and past mistakes to continue a program that has so utterly failed to achieve any of the glowing promises which its proponents made

15 years ago? A continuation of the program will perpetuate the economic confusion in the United States and the world. To me it is the greatest threat to the future of your Nation and mine.

In closing, I want to repeat again that a drop of 10 percent in our price level means a loss of \$25,000,000,000 in income. We cannot afford to risk that loss nor the loss of production through unemployment that would result. We can have national security by tariff protection up to the American cost level and we can buy all the things we need in addition to our own production by paying a price for our imports on a basis of equity with the price of things we wish to sell to other nations.

If we deal fairly with our neighbors in trade relations as I have here suggested, we will make good and lasting friends all over the world, instead of giving them hand-outs which belittles them and will bankrupt America.

Mr. REED of New York. Mr. Chairman, I yield 15 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, the present authority of the President to enter into foreign trade agreements under section 350 of the Tariff Act expires June 12, 1951. If enacted into law, H. R. 1612 will extend the authority of the President for 3 years from the expiration of the present authority. Because of the importance of reciprocal trade as an issue before our Nation, I voted in committee in favor of bringing the bill, H. R. 1612, before the House for consideration, but I do not want anyone to think for one minute that I approve of all the provision of the present law.

I vigorously support the views that the peril-point provisions established by the Trade Agreements Extension Act of 1948 be reenacted; that certain standards be established by Congress for the guidance of the President in determining relief under the escape clause; that the President be directed to prevent the application of reduced tariffs and other concessions made in trade agreements with the free nations to imports from Russia and Communist China and to imports from any Communist satellite country, including North Korea, which the President finds is part of a conspiracy against the free world, and I believe sincerely that the Eighty-second Congress should not extend any trade-agreement authority of the President more than 2 years as we should leave the extension of authority beyond June 12, 1953, to the Eighty-third Congress.

The determination of the peril point and the furnishing of such information by the Tariff Commission to the President, together with the President's report of any concession going below the peril point and the reasons for going beyond the peril point, all combine to furnish our people with information to which they are most certainly entitled.

I can see no valid objection to the establishment of some standard of safety for the guidance of the President in determining relief under the escape clause. No change in the escape clause is suggested, but the people of the United States affected by the trade agreements

have a right through Congress to name standards that are fair and effective guides for the President in the matter of securing relief under the escape clause.

It strikes me as utterly absurd to extend the so-called most-favored-nation treatment to Soviet Russia, Communist China, and the Communist satellite countries at this time. The antagonism of these countries for the United States and their determination to inflict all possible damage on the free world clearly disqualifies them for any reduction in tariff or other concession on imports from those countries. In fact, I personally would go further and deprive any country of such trade advantages if that country persists in supplying strategic and critical materials to Soviet Russia, Communist China, and the Communist satellite countries.

The record of shipments of rubber to the Soviet bloc is of particular interest on this point, and I include here a statement dated January 19, 1951, that I have today received from the State Department. I hope the Members of the House may have time to analyze the fallacious reasoning indulged in by the State Department in support of their surrender to foreign-trade policies of other countries inimical to our defense.

SHIPMENTS OF RUBBER TO THE SOVIET BLOC JANUARY 19, 1951.

Since statistics concerning shipments of rubber to the Soviet bloc are public information and readily available, the question often is asked why the shipments are not halted. This is a perfectly natural reaction but overlooks very practical problems.

At the present the rubber trade is entirely in private hands in all major producing territories. News stories dealing with shipments of rubber to the Soviet Union frequently are somewhat misleading to their use of the term "British" since there is an implication that the British Government is the exporter of the rubber in question when, as a matter of fact, the shipments are made by private traders.

Although to date the Soviet bloc has bought almost entirely from Malaya, other countries of southern and southeast Asia, any one of which produces sufficient rubber to meet the estimated needs of the Soviet Union and its satellites, remain as potential alternate sources not controlled by the British or any other Western European country.

If either the British or the Malayan Government acted alone to restrict rubber shipments to the Soviet Union, it might only penalize its own trade without causing the Soviet bloc any significant inconvenience. It would be extremely difficult politically for either Government to impose export controls if the only effect of such controls were to drive Soviet and Chinese buyers to other markets. It also is true that controls confined to Malaya would provide Communists there with an opportunity to claim that because of the country's colonial status Malaya was being prevented from participating in the prosperity which Soviet purchases of rubber were bringing to other territories free of foreign control.

Controls imposed unilaterally by Malaya would be difficult to enforce. Each month, on the average, approximately 5,000 long tons of rubber are smuggled from Indonesia to Singapore as a matter of routing to evade Indonesian export taxes, and the direction of smuggling might be reversed if it became profitable to do so. Measures to prevent

rubber from reaching the Soviets would require intergovernmental agreements among at least 5 governments which would have to control exports from the major natural rubber markets of the world. Enforcement measures required to make the agreements even moderately effective would include export controls in producing and marketing centers and intensified police activity throughout the rubber-producing territories and their surrounding waters.

It should be pointed out that even if measures of export control should be adopted in all major producing or marketing areas, it still would be extremely difficult in the absence of open hostilities to prevent the USSR and its satellites from receiving natural rubber. The efficacy of such measures in at least certain of the rubber producing areas is a matter for serious doubt. The Soviet bloc purchases not over 10 percent of the world's annual production; and if necessary in the face of control measures by exporting countries, it probably could obtain rubber by a smuggling operation of only moderate size for Southeast Asia.

The Soviet Union itself and, more recently, China have been the principal buyers of natural rubber for the Soviet orbit. Estimated

receipts by these countries may be summarized as follows in long tons:

Year	U. S. S. R.	China	Total
1939.....	30,000	4,586	34,586
1947.....	35,000	22,188	57,188
1948.....	100,000	21,000	121,000
1949.....	105,000	27,500	132,500
1950 (January to September).....	53,250	24,009	77,259
1950 (January to November).....	76,750	(1)	(1)

¹ Not available.

Monthly statistics concerning direct shipments of natural rubber from Malaya to the Soviet Union, China, and Hong Kong during 1949 and 1950 are shown in the attached table. Hong Kong is included because much of the rubber it receives is transhipped to China. The figures in the table differ from those shown in the preceding paragraph because there is a time lag of approximately 2 months between shipments from the Far East and imports into the Soviet Union. The lag between shipments from Malaya and receipts by Hong Kong or China is, of course, smaller.

TABLE 1.—Natural rubber: Shipments from Malaya to the U. S. S. R., China, and Hong Kong, by months, in 1949 and January to October 1950

[In long tons]

Period	U. S. S. R.	China	Hong Kong	Total
1949				
January.....	3,652	5	815	4,472
February.....	9,352	596	823	10,771
March.....	7,038	1,952	846	9,836
April.....	12,814	735	509	14,058
May.....	0	392	432	824
June.....	2,258	347	1,880	4,485
July.....	10,077	0	1,880	11,957
August.....	8,611	1,651	4,815	15,077
September.....	5,977	10	1,416	7,403
October.....	0	545	5,582	6,127
Subtotal, 10 months.....	59,779	6,233	18,998	85,010
November.....	1,075	657	3,559	5,291
December.....	2,560	100	731	3,391
Total.....	63,414	6,990	23,288	93,692
1950				
January.....	3,675		1,076	4,751
February.....	3,825		955	4,780
March.....	10,599		817	11,416
April.....	5,800	250	707	6,757
May.....	7,450		486	7,936
June.....	4,448		878	5,326
July.....	12,175	1,490	2,076	16,641
August.....	10,815	3,513	4,755	19,083
September.....	4,635	4,772	5,931	15,338
October.....	1,272	12,061	11,791	25,124
Total, 10 months.....	64,694	22,086	30,372	117,152

Source: Rubber Study Group.

Our ability to secure the strategic and critical materials we need for war from other free nations is today seriously impaired by the continued trade of those free nations with the Communist dominated nations of the world. This impairment of our security is revealed both by the short supply and the abnormally high prices of such materials resulting from the limitless competition furnished by the iron curtain nations in the free world markets.

The Democratic members of the Committee on Ways and Means state on page 3 of House Report No. 14, to accompany H. R. 1612:

Today our greatest concern is the maintenance of our national security in cooperation with other nations.

I do not contend that this statement is in error but I do contend that the impact of the most-favored-nation concession upon the national security should

not be condoned as it is by the present national administration and the Democrats of the Committee on Ways and Means. The persistence of some free nations in selling strategic and critical materials to iron-curtain nations is not cooperation that will lead to our national security.

Much is made by the Democrats on page 3 of House Report No. 14 of the fact that a representative of the Department of Defense is a member of the Trade Agreements Committee that makes recommendations to the President, but in my opinion the perpetuation of the bottleneck that has long existed in skilled workers of the watchmaking trade, the condition that today exists in the markets of the world in wool, rubber, and tungsten, lead me to believe that the Department of Defense has not been adequately represented on that committee. It is high time that Congress stop writing

a blank check, and stop handing over all control and authority in foreign-trade policy making to the President and the Department of State without congressional control or legal standards of any kind. Yardsticks and guides must be placed in the law if we are to build our national security strong enough to guarantee our continued existence as a Nation in this war-torn world. The day of the blank check and the rubber stamp must end or the very existence of our Nation will be seriously jeopardized. The amendments suggested by the Republican members of the Committee on Ways and Means are all sound steps in the right direction.

The use of the adjective "reciprocal" in this legislation does not prove the existence of reciprocity. In fact, there has been so little reciprocity in our trade agreements throughout the past 16 years that today we as a nation have permitted our own defense self-sufficiency to bog down to a dangerous level. Countless mines have closed; our wool supply and the number of sheep in America have sunk to the lowest level since the end of the Civil War; the Government stockpile of strategic and critical materials was limping along at 38.4 percent at the time the war in Korea broke, and the supply of many essential skills has not been maintained. Domestic production of many strategic and critical materials such as tin, tungsten, and manganese has not been encouraged and all too often has been discouraged by our reciprocal trade program including inadequate tariff rates.

I do not predict disaster for our Nation, but I do charge the present national administration with responsibility not only for our entry into the Korean War without adequate logistical preparation, but I charge them also with complete misunderstanding and lack of comprehension of the impact of our foreign-trade policies upon our Nation's security. The time to change our trade policy is now at hand. Let us either amend the bill before us today or end completely the present authority to bargain away the remaining security we must now conserve if we are to survive.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. McCulloch].

Mr. McCULLOCH. Mr. Chairman, I ask unanimous consent to proceed out of order, and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McCULLOCH. Mr. Chairman, the untimely death of Capt. Don S. Gentile, on Sunday afternoon, January 28, 1951, deprived the United States Air Force of one of the most colorful personalities and effective fighter pilots of World War II.

To him belongs the distinction of having destroyed more enemy planes than any other American pilot in the European theater of operations during the late war.

During the early days of World War II his determination for a flying career

was undeterred, notwithstanding his inability to meet the requirements of the peacetime cadet training program of the United States Army Air Force, and he volunteered for duty in the Royal Air Force.

After heroic action over Dieppe he was commissioned in the United States Air Force where he made a record that will long be remembered. His superb skill, his daring leadership, and his unswerving devotion to duty distinguish him among the great American aces of World War II.

Although he has finally soared away "into the wild blue yonder" he will be an inspiration forever, to the defenders of freedom everywhere. For his country he, too, gave his last full measure of devotion.

On behalf of the House of Representatives, I express to his devoted wife and three sons, and to his parents, sincere and heartfelt sympathy.

Mr. Chairman, under unanimous consent, I append to my remarks the biography of Captain Gentile as furnished to me by the United States Air Force:

CAPT. DON S. GENTILE

Capt. Don S. Gentile, 30-year-old fighter ace, destroyed 19.80 German planes in the air and 6 on the ground during 3 years' service with the RAF and United States Air Force in Europe.

At one time the leading fighter ace of the United States, he was born in Piqua, Ohio, June 12, 1920. Learning to fly while in high school, he had a total of 300 hours flying time when he became a Royal Air Force cadet in July, 1941.

The following December he was appointed an RAF pilot officer and flew with various RAF squadrons out of England until June 1942, when he joined the famed Eagle Squadron.

On August 1, 1942, during the Dieppe raid, Captain Gentile destroyed his first German aircraft, an FW-190 and a JU-88, within 10 minutes of each other, for which he was awarded the British Distinguished Flying Cross.

The next month he was commissioned a second lieutenant in the United States Army and assigned to the Three Hundred and Thirty-sixth Fighter Squadron, Fourth Fighter Group, of the Eighth Air Force in Europe. At the same time, another young American pilot, Capt. John T. Godfrey, transferred from the RAF to the Air Force. Also assigned to the Three Hundred and Thirty-sixth Fighter Squadron, he became Gentile's wingman and the two formed a combat team which Gen. H. H. Arnold, former commander of the Air Force, praised as the greatest of any war.

Unlike the usual wingman, Godfrey alternated with Gentile as leader and they took turns shooting down planes and protecting each other. Together they destroyed more enemy planes than any other two American fighter pilots, and prompted the remark from Hermann Goering that he "would gladly give two of his best Squadrons for the capture of the Italian Gentile and the Englishman Godfrey."

Referred to by Winston Churchill as Damon and Pythias of the twentieth century, the two aces were sent home together in June 1944 to stress teamwork to the American people. After a series of war-bond tours, they were separated, Gentile being assigned to Wright-Patterson Air Force Base, Ohio, as a test pilot, and Godfrey returning to Europe, where he was shot down by the Germans and taken prisoner. (He was later liberated and returned to the United States.)

During his service with the Air Force in Europe, Captain Gentile, who had 20-10 vision, flew 182 combat missions, totaling 350 combat hours.

Captain Gentile remained at Wright-Patterson AFB, testing conventional type fighters and F-80's, until April 1946, when he received an honorable discharge. In December 1947 he was appointed a captain in the Regular Air Force and assigned to the Training Division at USAF headquarters in Washington, D. C., for work on fighter gunnery projects. He entered the University of Maryland in June 1949 for a 2-year study of military science.

The tall, dark-eyed hero, whom the late President Roosevelt called "Captain Courageous," has been awarded the Distinguished Service Cross with one Oak Leaf Cluster, Silver Star, Distinguished Flying Cross with seven clusters, Air Medal with three clusters, and the Presidential Unit Citation with two clusters. His foreign decorations include the Military Order of Italy, Belgian Croix de Guerre, British Distinguished Flying Cross, British Star, British General Service Decoration, Canadian Volunteer Medal, and the Italian Croce Al Merito di Guerra and Medaglia d'Argento Al Valor Militaire. He also wears the Eagle Squadron Crest awarded by the King and Queen of England.

He received the honorary degree of Doctor of Aeronautics from Ohio Northern University at Ada in January 1946.

Captain Gentile is survived by his wife, the former Miss Isabella Masdea, of Columbus, Ohio, three sons, Don S. II, Joseph, and Patrick, and his parents.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

Mr. COOPER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, had come to no resolution thereon.

COMMITTEE ON RULES

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. SABATH], chairman of the Committee on Rules, may have until midnight tonight to file reports from the Committee on Rules.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what reports does the gentleman want to file?

Mr. COOPER. The gentleman from Illinois did not advise me as to that. He just asked me to obtain this permission for him, to have until midnight tonight to file certain reports from the Committee on Rules.

Mr. MARTIN of Massachusetts. Why is that necessary? We are not going to meet tomorrow, and we have practically no program that I know of on Friday. I cannot see why this permission is necessary. If we do not know what reports the gentleman wants to file, I will have to object, Mr. Speaker.

The SPEAKER. Objection is heard.

ADJOURNMENT OVER

Mr. MILLS. Mr. Speaker, by direction of the majority leader, the distinguished gentleman from Massachusetts [Mr. McCORMACK], I ask unanimous consent that when the House adjourns today it adjourn to meet on Friday next.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. MEADER (at the request of Mr. MARTIN of Massachusetts) was given permission to address the House for 30 minutes on Friday next, following the legislative program and any special orders heretofore entered.

Mrs. ST. GEORGE (at the request of Mr. MARTIN of Massachusetts) was given permission to address the House for 30 minutes on Friday next, following the address of Mr. MEADER.

Mr. GROSS asked and was given permission to address the House for 2 minutes today, following the special orders heretofore entered.

INVESTIGATION BY COMMITTEE ON ARMED SERVICES

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 38) for printing in the RECORD:

Resolved, That the Committee on Armed Services, acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (c) of the Rules of the House of Representatives, and for such purposes the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

That the said committee shall report to the House of Representatives during the present Congress the results of their studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

COMMITTEE ON PUBLIC LANDS

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 100) for printing in the RECORD:

Resolved, That clause (a) 14 of rule X of the Rules of the House of Representatives is amended by striking out "Committee on Public Lands" and inserting in lieu thereof "Committee on Interior and Insular Affairs."

Clause (1) (n) of rule XI is amended by striking out "Committee on Public Lands" and inserting in lieu thereof "Committee on Interior and Insular Affairs."

Clause (2) (a) of rule XI is amended by striking out "Committee on Public Lands"

where it appears in the said clause and inserting in lieu thereof "Committee on Interior and Insular Affairs."

Clause 1 of rule XII is amended by striking out "Public Lands" where it appears in said clause and inserting in lieu thereof "Interior and Insular Affairs."

INVESTIGATION BY COMMITTEE ON PUBLIC LANDS

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 80) for printing in the RECORD:

Resolved, That the Committee on Public Lands (now comprised of the six former Committees on Insular Affairs, Territories, Public Lands, Irrigation and Reclamation, Mines and Mining, and Indian Affairs) may make investigations into any matter within its jurisdiction. For the purpose of making such investigations the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

COMMITTEE ON FOREIGN AFFAIRS

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 28) for printing in the RECORD:

Resolved, That the Committee on Foreign Affairs, acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee.

SEC. 2. For the purposes of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act during the present Congress at such times and places as the committee may determine, whether or not the House is in session, has recessed, or has adjourned, to require the attendance of such witnesses and the production of such books, papers, and documents by subpoena or otherwise, and to take testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee and shall be served by any person designated by such chairman. The chairman of the committee or any member designated by him may administer oaths to witnesses.

SPECIAL ORDER GRANTED

Mr. FLOOD asked and was given permission to address the House for 30 minutes on Monday next, following the legislative business of the day and any other special orders heretofore entered.

The SPEAKER. Under previous order of the House, the gentleman from Iowa [Mr. GROSS] is recognized for 2 minutes.

BIPARTISAN TAX CONFERENCE

Mr. GROSS. Mr. Speaker, when I sat down to breakfast this morning, I picked up a morning paper with one hand and a cup of coffee with the other hand, and nearly choked on the first swig, not due to the quality of the coffee, for Mrs. Gross makes fine coffee, but because of

the headlines announcing that President Truman invited members of the House Ways and Means Committee, including the Republicans, to take part in a tax confab at the White House.

According to the paper, it was hoped that this touching love scene would lead to what was called a bipartisan tax policy.

Does not this proposition have a familiar aroma? Whenever the President finds himself in a hole, he talks "bipartisan."

Now, after telling the people he intends to tax them until it hurts, he wants the Republicans to bail him out.

Is not this much like putting the cart before the horse? If not, why did not the President call in Republican members of the Ways and Means Committee, and other committees, months and even years ago to consult on administration spending bills and establish, shall we call it, a bipartisan spending policy, inasmuch as increased taxes are necessitated, at least in part, by administration squandering of public funds and debauchery of the currency through Truman inflation?

As obvious as the whole deal is, Republican members of the Ways and Means Committee fell for it, as near as I can ascertain, answering the Truman beck and call, and trod the primrose path to the White House.

By so doing, and for all practical purposes, they identified the Republican Party with the staggering increase in income taxes that will follow. They fell into a booby trap rigged and indeed worthy of the Pendergast school of politics.

BOARD OF VISITORS, UNITED STATES MERCHANT MARINE ACADEMY

The SPEAKER laid before the House the following communication, which was read by the Clerk:

JANUARY 29, 1951.

The SPEAKER,
The House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: Pursuant to Public Law 301, of the Seventy-eighth Congress, I have appointed the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Merchant Marine Academy for the year 1951: Hon. DONALD L. O'TOOLE, Hon. WILLIAM A. BARETT, Hon. ALVIN F. WEICHEL.

As chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

With kindest personal regards; I am,
Yours very sincerely,

EDW. J. HART,
Chairman.

BOARD OF VISITORS, UNITED STATES COAST GUARD ACADEMY

The SPEAKER laid before the House the following communication, which was read by the Clerk:

JANUARY 29, 1951.

The SPEAKER,
The House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: Pursuant to section 104 of title 14 of the United States Code, I have appointed the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Coast Guard

Academy for the year 1951: Hon. HERBERT C. BONNER, Hon. JOHN F. SHELLEY, Hon. ALVIN F. WEICHEL.

As chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

With kindest personal regards, I am,
Yours very sincerely,

EDW. J. HART,
Chairman.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CHIPERFIELD (at the request of Mr. MARTIN of Massachusetts), on account of official committee business.

To Mr. FUGATE (at the request of Mr. HARRISON), for an indefinite period, on account of illness.

EXTENSION OF REMARKS

Mr. KEOGH (at the request of Mr. COOPER) was given permission to extend his remarks in two instances.

Mr. MULTER (at the request of Mr. COOPER) was given permission to extend his remarks notwithstanding that it is estimated to make $4\frac{1}{2}$ pages at a cost of \$355.34.

Mr. RODINO (at the request of Mr. COOPER) was given permission to extend his remarks.

Mr. CARNAHAN (at the request of Mr. COOPER) was given permission to extend his remarks and include an address by Hon. Dean Rusk, Assistant Under Secretary of State.

Mr. MILLS asked and was given permission to include certain extraneous matter in connection with the remarks he made in Committee of the Whole today.

Mr. MOULDER (at the request of Mr. MILLS) was given permission to extend his remarks.

Mr. BUTLER (at the request of Mr. REED of New York) was given permission to extend his remarks.

Mr. REED of New York asked and was given permission to include certain tables in the remarks he made today in the Committee of the Whole.

Mr. MARTIN of Iowa (at the request of Mr. REED of New York) was given permission to include certain tables as part of the remarks he made in Committee of the Whole today.

Mr. SCUDDER (at the request of Mr. REED of New York) was given permission to include a letter as part of the remarks he made today.

Mr. HOEVEN (at the request of Mr. GROSS) was given permission to extend his remarks and include a letter from Comptroller General Lindsay Warren.

Mr. MACK of Washington (at the request of Mr. GROSS) was given permission to extend his remarks and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in five instances and include extraneous matter.

Mr. BEAMER (at the request of Mr. REED of New York) was given permission to revise and extend his remarks and include certain letters addressed to him.

Mr. TABER asked and was given permission to extend his remarks.

Mr. BOW asked and was given permission to extend his remarks and include an editorial.

Mr. HAND asked and was given permission to extend the remarks he made today in Committee of the Whole, and include extraneous matter at that point immediately following the address made by the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. HOPE asked and was given permission to extend his remarks and include extraneous matter.

Mr. REECE of Tennessee asked and was given permission to extend his remarks and include extraneous matter.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks and include a letter from the Department of Education of Puerto Rico.

SENATE BILLS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 15. An act to amend section 215 of the United States Code; to the Committee on the Judiciary.

S. 27. An act to prohibit the transportation of obscene matters in interstate or foreign commerce; to the Committee on the Judiciary.

S. 34. An act to amend title 18 of the United States Code, relating to the mailing of obscene matter; to the Committee on the Judiciary.

S. 44. An act for the relief of John E. Turri and Edward H. Turri; to the Committee on the Judiciary.

S. 45. An act for the relief of Alfred F. Bosche; to the Committee on the Judiciary.

S. 46. An act for the relief of Ruth Obre Dubonnet; to the Committee on the Judiciary.

S. 48. An act for the relief of Mr. and Mrs. Lucillo Grassi; to the Committee on the Judiciary.

S. 51. An act for the relief of Arthur Henrik Sorensen, Maren Anderson Sorensen, and minor child, Evelyn Sorensen; to the Committee on the Judiciary.

S. 52. An act for the relief of Delfo Giorgi; to the Committee on the Judiciary.

S. 53. An act for the relief of Vittorio Quilici; to the Committee on the Judiciary.

S. 54. An act for the relief of Stella Jean Stathopoulou; to the Committee on the Judiciary.

S. 56. An act for the relief of Francis Kueen San Thu, Mary Luke Thu, Catherine Thu, Victoria Thu, and Anne Bernadette Thu; to the Committee on the Judiciary.

S. 57. An act for the relief of Ertogrul Osman and Mehmed Fahreddin; to the Committee on the Judiciary.

S. 58. An act for the relief of Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow; to the Committee on the Judiciary.

S. 59. An act for the relief of Vernon Crudge; to the Committee on the Judiciary.

S. 62. An act for the relief of Stefanos Stefanou; to the Committee on the Judiciary.

S. 63. An act for the relief of Marie Louise Ardans; to the Committee on the Judiciary.

S. Con. Res. 6. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 7. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ADJOURNMENT

Mr. MILLS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.), under its previous order, the House adjourned until Friday, February 2, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

144. A letter from the vice president and comptroller, the Chesapeake & Potomac Telephone Cos., transmitting a statement of receipts and expenditures of the Chesapeake & Potomac Telephone Co. for the year 1950, in compliance with chapter 1628, acts of Congress, 1904; to the Committee on the District of Columbia.

145. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to amend the act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts"; to the Committee on the Judiciary.

146. A letter from the Deputy Attorney General, transmitting a letter recommending the enactment of legislation to provide protection of persons from lynching, and including a copy of a bill introduced in the Eighty-first Congress, H. R. 4683; to the Committee on the Judiciary.

147. A letter from the president, Potomac Electric Power Co., transmitting the report of Potomac Electric Power Co. for the year ended December 31, 1950; to the Committee on the District of Columbia.

148. A letter from the Chairman, United States Atomic Energy Commission, transmitting the Ninth Semiannual Report of the United States Atomic Energy Commission, pursuant to the Atomic Energy Act of 1946; to the Joint Committee on Atomic Energy.

149. A letter from the Postmaster General, transmitting a draft of proposed legislation entitled "A bill to provide for free transmission of official mail of members of certain United Nations commands"; to the Committee on Post Office and Civil Service.

150. A letter from the Acting Administrator, Federal Security Agency, transmitting a report of all claims paid by the Federal Security Agency under section 2672 of title 28, United States Code, for the period January 1 to December 31, 1950; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 28. Resolution authorizing the Committee on Foreign Affairs to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee; without amendment (Rept. No. 20). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 38. Resolution authorizing and directing the Committee on Armed Services to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (c) of the rules of the House of Representatives; without amendment (Rept. No. 21). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 80. Resolution to authorize the Committee on Public Lands to make investigations into any matter within its jurisdiction, and for other purposes; with amendment (Rept. No. 22). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 100. Resolution to amend certain clauses of rules X, XI, and XII of the House of Representatives; without amendment (Rept. No. 23). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 2223. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for widows of certain former Federal employees who had rendered 30 years of service; to the Committee on Post Office and Civil Service.

H. R. 2224. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, with respect to certain employees in the Postal Transportation Service; to the Committee on Post Office and Civil Service.

By Mr. DOLLINGER:

H. R. 2225. A bill to repeal the Labor-Management Relations Act, 1947, and to re-
vive the National Labor Relations Act (the Wagner Act); to the Committee on Education and Labor.

H. R. 2226. A bill to withhold Federal aid from schools which discriminate between students by reason of their race, color, religion, ancestry, or national origin; to the Committee on Education and Labor.

H. R. 2227. A bill to prohibit discrimination in employment because of race, religion, color, national origin, or ancestry; to the Committee on Education and Labor.

H. R. 2228. A bill to amend the Interstate Commerce Act (U. S. C., title 49, sec. 3 (1)), so as to prohibit the segregation of passengers on account of race or color; to the Committee on Interstate and Foreign Commerce.

H. R. 2229. A bill to provide that Federal funds shall not be used for loans, grants, or other financial assistance to provide housing with respect to which there is any discrimination against occupancy on account of race, religion, color, ancestry, or national origin; to the Committee on Banking and Currency.

H. R. 2230. A bill to prohibit race segregation in the Armed Forces of the United States; to the Committee on Armed Services.

H. R. 2231. A bill for the better assurance of the protection of citizens of the United States and other persons within the several States from mob violence and lynching, and for other purposes; to the Committee on the Judiciary.

H. R. 2232. A bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers; to the Committee on House Administration.

By Mr. HAGEN:

H. R. 2233. A bill to amend the act of July 6, 1945 (Public Law 134), so as to provide additional compensation to postmasters, officers, and employees in the postal field service; to the Committee on Post Office and Civil Service.

H. R. 2234. A bill to promote and sustain amicable relations between the Office of the Second Assistant Postmaster General and the employees in the field service of the surface and air postal transport by the establishment of a board of arbitration; to the Committee on Post Office and Civil Service.

H. R. 2235. A bill to authorize the Secretary of the Interior to withhold certain wildlife-restoration project payments in the case of any State which unreasonably discriminates against nonresident hunters; to the Committee on Merchant Marine and Fisheries.

By Mr. HALE:

H. R. 2236. A bill to provide for the issuance of a special 3-cent stamp in commemoration of Portland Head Light, Casco Bay,

first lighted on January 10, 1791; to the Committee on Post Office and Civil Service.

By Mr. EDWIN ARTHUR HALL:

H. R. 2237. A bill to strengthen national defense by establishing a hunters' corps to guard the home front; to the Committee on Armed Services.

By Mr. KLEIN:

H. R. 2238. A bill to amend and extend the provisions of the District of Columbia Emergency Rent Act; to the Committee on the District of Columbia.

H. R. 2239. A bill to provide for salary increases for each officer and employee of the Federal Government and each officer and employee of the District of Columbia municipal government; to the Committee on Post Office and Civil Service.

H. R. 2240. A bill to provide for salary increases for employees of the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. McGRATH:

H. R. 2241. A bill to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions; to the Committee on Post Office and Civil Service.

H. R. 2242. A bill to authorize the President to make available for immigration purposes certain unused immigration quotas; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 2243. A bill to amend paragraph 1615 (g) of the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

H. R. 2244. A bill to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite held in Italy; to the Committee on the Judiciary.

By Mr. SASSCER:

H. R. 2245. A bill to authorize the Secretary of the Navy to review the records of commissioned naval and marine officers who failed of advancement during the war, and for other purposes; to the Committee on Armed Services.

By Mr. CORBETT:

H. R. 2246. A bill to grant an option of overtime in lieu of compensatory time to postal employees for work performed on Saturdays, Sundays, and holidays; to the Committee on Post Office and Civil Service.

H. R. 2247. A bill to amend an act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended; to the Committee on Post Office and Civil Service.

H. R. 2248. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended; to the Committee on Post Office and Civil Service.

H. R. 2249. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended; to the Committee on Post Office and Civil Service.

H. R. 2250. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended; to the Committee on Post Office and Civil Service.

H. R. 2251. A bill to amend the act entitled "An act to reclassify the salaries of postmas-

ters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended; to the Committee on Post Office and Civil Service.

H. R. 2252. A bill granting exemption from income tax in the case of retirement annuities and pensions; to the Committee on Ways and Means.

H. R. 2253. A bill amending the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

H. R. 2254. A bill to authorize payment after June 30, 1951, for unused annual leave accumulated by employees of the Federal and District of Columbia Governments during the calendar year 1950; to the Committee on Post Office and Civil Service.

H. R. 2255. A bill to provide compensatory time for services performed on Saturdays, Sundays, and holidays by clerks in third-class post offices; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Virginia (by request):

H. R. 2256. A bill to amend the Railroad Retirement Act of 1937 to permit certain employed persons to be paid annuities under such act; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 2257. A bill to provide for the adjustment of royalties and like charges for the use of inventions for the benefit of or by the United States, and for other purposes; to the Committee on the Judiciary.

H. R. 2258. A bill to amend subsection (c) of section 19 of the Immigration Act of 1917 and subsection (a) of section 338 of the Nationality Act of 1940; to the Committee on the Judiciary.

H. R. 2259. A bill to amend section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156-1157; 8 U. S. C. 734); to the Committee on the Judiciary.

H. R. 2260. A bill to amend title 18, United States Code, chapter 79, to add a new section, 1623, to extend the law relating to perjury to the willful giving of contradictory statements under oath; to the Committee on the Judiciary.

By Mrs. CHURCH:

H. R. 2261. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for widows of certain former Federal employees who had rendered 30 years of service; to the Committee on Post Office and Civil Service.

By Mr. McCORMACK:

H. R. 2262. A bill to authorize the attendance of the United States Marine Band at the celebration of the one hundred and seventy-fifth anniversary of the fortification of Dorchester Heights, Mass., and the evacuation of Boston, Mass., by the British, to be held in South Boston, Mass., on March 17, 1951; to the Committee on Armed Services.

By Mr. McGUIRE:

H. R. 2263. A bill amending section 34 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 2264. A bill to amend section 32 of the Trading With the Enemy Act to provide for judicial review; to the Committee on Interstate and Foreign Commerce.

By Mr. CORBETT:

H. R. 2265. A bill to repeal paragraph (b) of section 4 of the act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

H. R. 2266. A bill to provide for the purchase of bonds to cover officers and employees of the Government; to the Committee on Expenditures in the Executive Departments.

H. R. 2267. A bill to provide a widow's annuity upon death of employee prior to attainment of age 50 of surviving widow; to

the Committee on Post Office and Civil Service.

By Mr. DOUGHTON:

H. R. 2268. A bill to authorize the payment of interest on series E savings bonds retained after maturity, and for other purposes; to the Committee on Ways and Means.

By Mr. MURPHY:

H. R. 2269. A bill authorizing preliminary surveys and examinations to determine necessary improvements to prevent wind and tidal effects on the exposed shore of Staten Island, N. Y.; to the Committee on Public Works.

By Mr. RHODES:

H. R. 2270. A bill to provide equitable compensation for Saturday, Sunday, holiday, and overtime duty in the Federal Government service; to the Committee on Post Office and Civil Service.

H. R. 2271. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedure for computing compensation; and for other purposes," approved July 6, 1945, with respect to certain employees in the Postal Transportation Service; to the Committee on Post Office and Civil Service.

By Mr. JUDD:

H. R. 2272. A bill to amend the China Area Aid Act of 1950 to extend to selected citizens of Korea the educational aid provided certain citizens of China; to the Committee on Foreign Affairs.

By Mr. MURPHY:

H. R. 2273. A bill to amend the Public Health Service Act to provide medical, surgical, and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service; to the Committee on Interstate and Foreign Commerce.

By Mr. RHODES:

H. R. 2274. A bill to designate the Tomb of the Unknown Soldier of the American Revolution; to the Committee on House Administration.

By Mr. BYRNE of New York:

H. J. Res. 142. Joint resolution to amend the joint resolution entitled "Joint resolution to provide for the adjudication by a commissioner of claims of American nationals against the Government of the Union of Soviet Socialist Republics," approved August 4, 1939; to the Committee on Foreign Affairs.

By Mr. DOYLE:

H. J. Res. 143. Joint resolution granting the consent of Congress to joinder of the United States in suits in the United States Supreme Court for adjudication of claims to waters of the Colorado River system available for use in the lower Colorado River Basin; to the Committee on the Judiciary.

By Mr. KING:

H. J. Res. 144. Joint resolution granting the consent of Congress to joinder of the United States in suits in the United States Supreme Court for adjudication of claims to waters of the Colorado River system available for use in the lower Colorado River Basin; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. Con. Res. 52. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. GATHINGS:

H. Res. 109. Resolution providing for the establishment of a branch of the House of Representatives restaurant in the Old House Office Building; to the Committee on House Administration.

By Mr. WHITTEN:

H. Res. 110. Resolution creating a select committee to conduct an investigation and study of the use of facilities and manpower by the Department of Defense and by other departments and agencies of the Government; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, relative to declaring Solano County, Calif., a critical defense area for the purpose of obtaining financing of housing construction; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, relative to the tidelands and submerged lands adjacent to the coastal States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of South Dakota, relative to taking action regarding the land to be inundated by the Missouri River development, the appraisal of said land, the people dispossessed, and other pertinent matters in relation thereto; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Dakota, relative to requesting not to include meat or meat products in any price or rationing controls; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Vermont, relating to dangers of inflation and providing ways and means to prevent same; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. CHURCH:

H. R. 2275. A bill for the relief of J. Alfred Pulliam; to the Committee on the Judiciary.

H. R. 2276. A bill for the relief of Mary Jane Sherman; to the Committee on the Judiciary.

By Mr. CURTIS of Nebraska:

H. R. 2277. A bill for the relief of Mrs. Amalia Grass; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 2278. A bill for the relief of Mrs. Katherine L. Sewell; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 2279. A bill for the relief of the Baltimore & Ohio Railroad Co.; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 2280. A bill for the relief of Mary Doyen; to the Committee on the Judiciary.

By Mr. FRAZIER:

H. R. 2281. A bill for the relief of Rachmiel Tawer and Ida Kawer, nee Grodner; to the Committee on the Judiciary.

By Mr. GILLETTE:

H. R. 2282. A bill for the relief of Giovanni Mario Alberti; to the Committee on the Judiciary.

By Mr. GRANGER:

H. R. 2283. A bill for the relief of Setsuko Yamashita, the Japanese fiancée of a United States citizen veteran of World War II, and her son Takashi Yamashita; to the Committee on the Judiciary.

H. R. 2284. A bill for the relief of Ethel Martha Quinn; to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 2285. A bill for the relief of Esther Cornelius; to the Committee on the Judiciary.

H. R. 2286. A bill for the relief of Ella Henriette Nielsine Bonnerup; to the Committee on the Judiciary.

By Mr. HART:

H. R. 2287. A bill for the relief of Carlo Parrella; to the Committee on the Judiciary.

H. R. 2288. A bill for the relief of Leon D. Cotomatos; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 2289. A bill for the relief of Peter Schoenwald; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 2290. A bill for the relief of Ralph Ambrose Thrall and Minnie Hazell Thrall; to the Committee on the Judiciary.

By Mr. KENNEDY:

H. R. 2291. A bill for the relief of Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Giovita); to the Committee on the Judiciary.

By Mr. FINE:

H. R. 2292. A bill for the relief of Jai Young Lee; to the Committee on the Judiciary.

By Mr. McGRATH:

H. R. 2293. A bill for the relief of the estate of Willie H. Davis; to the Committee on the Judiciary.

H. R. 2294. A bill for the relief of Vincenzo Governali; to the Committee on the Judiciary.

H. R. 2295. A bill for the relief of Aurelio Maiolatesi; to the Committee on the Judiciary.

H. R. 2296. A bill for the relief of Mother Anna Fasulo; to the Committee on the Judiciary.

H. R. 2297. A bill for the relief of Philippe C. Chin-Ten-Fung; to the Committee on the Judiciary.

H. R. 2298. A bill for the relief of Eugenio Ambrosio; to the Committee on the Judiciary.

H. R. 2299. A bill for the relief of Biagio Poldimani; to the Committee on the Judiciary.

H. R. 2300. A bill for the relief of Sister Mariannina Silipigui; to the Committee on the Judiciary.

H. R. 2301. A bill for the relief of Lawrence Nestor; to the Committee on the Judiciary.

H. R. 2302. A bill for the relief of Elena Masciola; to the Committee on the Judiciary.

By Mr. McVEY:

H. R. 2303. A bill for the relief of Sisters Maria Salerno, Eufrasia Binotto, Maria Ballatore, and Giovanna Buziol; to the Committee on the Judiciary.

By Mr. MURPHY:

H. R. 2304. A bill for the relief of Bernard F. Elmers; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 2305. A bill for the relief of Giulio Carone; to the Committee on the Judiciary.

H. R. 2306. A bill for the relief of Aniela Buzek; to the Committee on the Judiciary.

H. R. 2307. A bill for the relief of Jean (John) Plewniak and Anna Piotrowska Plewniak; to the Committee on the Judiciary.

H. R. 2308. A bill for the relief of Joseph Girardi; to the Committee on the Judiciary.

By Mr. SHAFER:

H. R. 2309. A bill for the relief of the A. C. Israel Commodity Co., Inc.; to the Committee on the Judiciary.

By Mr. SMITH of Virginia (by request):

H. R. 2310. A bill for the relief of Jindrich (Henri) Nosek and Mrs. Zdenka Nosek; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

29. By Mr. BUSH: Petition of the Williamsport, Pa., branch of the American Association of University Women, against any form of compulsory health insurance or any form of Federal bureaucratic control to the application of medical science and/or medical services to the people; to the Committee on Interstate and Foreign Commerce.

30. By Mr. MACHROWICZ: Petition of the Common Council of the City of Detroit, Mich., urging approval and support of the construction of the St. Lawrence seaway project; to the Committee on Public Works.

31. By the SPEAKER: Petition of Henry X. Dietch, village president, village of Park Forest, Ill., requesting the extension of rent control to the village of Park Forest, Ill., in the interest of national defense; to the Committee on Banking and Currency.

32. Also, petition of John Dillon Fitzgerald, chairman, United Irish Societies of Washington, D. C., relative to the Irish question; to the Committee on Foreign Affairs.

33. Also, petition of Edward P. Malley, chief clerk, City Council of Baltimore, Md., requesting an appropriation of sufficient funds for the prompt rebuilding of the Hawkins Point ammunition pier; to the Committee on Public Works.

SENATE

THURSDAY, FEBRUARY 1, 1951

(Legislative day of Monday, January 29, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. F. Norman Van Brunt, associate minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Eternal and Almighty God, who dost bring forth Thy righteousness as the light and Thy judgments as the noon-day, in the presence of ageless realities we pause in reverence and, with a deepening sense of obligation as servants of this great people, pray for courage to attempt, power to achieve, and patience to endure.

Grant that with these virtues we, who hold the birthright of democratic traditions, may meet the crisis of our time with avowed faith in it, praying as we work:

Faith of our fathers, we will strive
To win all nations unto Thee,
And through the truth that comes from
God

Mankind shall then be truly free.
Faith of our fathers, holy faith!
We will be true to Thee till death.

In Thy name we pray. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 29, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. John B. Sullivan, late a Representative from the State of Missouri, and transmitted the resolutions of the House thereon.

LEAVE OF ABSENCE

On request of Mr. McFARLAND, and by unanimous consent, Mr. McCARRAN was excused from attendance on the sessions of the Senate for the next 2 weeks, because of official business.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LEHMAN, and by unanimous consent, the Subcommittee on Health of the Committee on Labor and Public Welfare was authorized to meet this afternoon during the session of the Senate.

ANNOUNCEMENT OF CONSIDERATION ON MONDAY OF SENATE BILL 101

Mr. McFARLAND. Mr. President, I wish to announce that on Monday next we shall take up for consideration Senate bill 101, which is the bill amending the Reorganization Act of 1949, reported by the Senator from Arkansas [Mr. McCLELLAN] from the Committee on Expenditures in the Executive Departments.

PROPOSED SALE OF GERMAN EMBASSY

Mr. LANGER. Mr. President, I am very happy to announce to the Senate that the protest which was made on Monday last to the Attorney General against the sale of the German Embassy has resulted in the postponement of the sale, the Attorney General having notified me that he will hold up the sale for at least 2 months. In view of the address made this morning to Members of Congress by General Eisenhower, I am sure that will be good news to the people of Western Germany.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Alken	Green	Morse
Bennett	Hayden	Mundt
Benton	Hendrickson	Murray
Brewster	Hennings	Neely
Bricker	Hill	Nixon
Bridges	Hoey	O'Connor
Butler, Md.	Holland	O'Mahoney
Butler, Nebr.	Humphrey	Pastore
Byrd	Hunt	Robertson
Cain	Jenner	Russell
Capehart	Johnson, Colo.	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Case	Johnston, S. C.	Smathers
Chapman	Kefauver	Smith, Maine
Chavez	Kerr	Smith, N. J.
Clements	Kilgore	Smith, N. C.
Connally	Knowland	Sparkman
Cordon	Langer	Stennis
Douglas	Lehman	Taft
Duff	Lodge	Thye
Dworshak	McCarthy	Tobey
Eastland	McClellan	Watkins
Eaton	McFarland	Welker
Ferguson	McKellar	Wherry
Flanders	McMahon	Wiley
Frear	Magnuson	Williams
Fulbright	Malone	Young
George	Martin	
Gillette		

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. McCARRAN] are absent by leave of the Senate on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business as an observer from the Committee on Agriculture and Forestry, attending conferences between the Governments of the United States and Mexico regarding agricultural labor contracts.

The Senator from South Carolina [Mr. MAYBANK] is absent because of illness.

The Senator from Oklahoma [Mr. MONROE] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business of the Committee on Foreign Relations.

The Senator from New York [Mr. IVEY] is absent because of a death in his family.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD, submit reports of committees, and introduce bills and transact routine business, without speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

BOARD OF VISITORS TO COAST GUARD ACADEMY

The VICE PRESIDENT. The Chair appoints the Senator from Connecticut [Mr. BENTON] a member of the Board of Visitors to the Coast Guard Academy.

BOARD OF VISITORS TO MERCHANT MARINE ACADEMY

The VICE PRESIDENT. The Chair appoints the Senator from Wyoming [Mr. HUNT] a member of the Board of Visitors to the Merchant Marine Academy.

COMMISSION FOR CONSTRUCTION OF WASHINGTON - LINCOLN MEMORIAL GETTYSBURG BOULEVARD

The VICE PRESIDENT. The Chair appoints the Senator from Maryland [Mr. O'CONNOR] a member of the Commission for Construction of Washington-Lincoln Memorial Gettysburg Boulevard.

DIRECTOR OF COLUMBIA INSTITUTION FOR THE DEAF

The VICE PRESIDENT. The Chair appoints the Senator from Delaware [Mr. FREAR] a Director of the Columbia Institution for the Deaf.

DIRECTOR OF COLUMBIA HOSPITAL FOR WOMEN

The VICE PRESIDENT. The Chair appoints the Senator from Illinois [Mr. DOUGLAS] a Director of the Columbia Hospital for Women.